



Policy and Program Coordination Bureau
Center for Development, Information & Evaluation
Performance Measurement & Evaluation Division
Contract #: AEP-C-00-99-00034-00

FINAL

PERFORMANCE MONITORING PLAN

Strategic Objective 5: *Increased Opportunities for Domestic and Foreign Investment*

USAID/MOROCCO

**Shiro Gnanaselvam
Raji Jagadeesan**

December 8, 2000

- ☐ *USAID Morocco has determined that this document is appropriate for public distribution on the Internet*
- ☐ *USAID/Morocco has determined that this document is NOT appropriate for public distribution on the Internet*

PRICEWATERHOUSECOOPERS 
1616 North Fort Myer Drive
Arlington, VA 22209
(703) 741-1000



TABLE OF CONTENTS

SECTION I. INTRODUCTION	3
A. BACKGROUND	3
B. GUIDING PRINCIPLES OF THE PMP	4
C. BUDGETING FOR PERFORMANCE MANAGEMENT	4
SECTION II. THE ECONOMIC GROWTH RESULTS FRAMEWORK	5
A. GRAPHICAL REPRESENTATION	5
B. LOGICAL CONSISTENCY OF THE RESULTS FRAMEWORK	7
C. CRITICAL ASSUMPTIONS	8
SECTION III. MANAGING SO 5 FOR RESULTS	9
A. COLLECTING PERFORMANCE DATA	9
1. LEVELS OF PERFORMANCE DATA	9
2. DATA COLLECTION RESPONSIBILITIES	10
B. CONDUCTING EVALUATIONS & SPECIAL STUDIES	12
C. REVIEWING PERFORMANCE INFORMATION	13
D. REPORTING PERFORMANCE RESULTS: THE ANNUAL R4 PROCESS	15
E. ASSESSING DATA QUALITY	16
F. REVIEWING AND UPDATING THE PMP	17
G. OVERALL PERFORMANCE MANAGEMENT TASK SCHEDULE	18
SECTION IV. PERFORMANCE INDICATOR REFERENCE SHEETS	21
A. SO 5 RESULTS-LEVEL INDICATORS	22
B. IR 5.1 RESULTS-LEVEL INDICATORS	29
C. IR 5.2 RESULTS-LEVEL INDICATORS	31
D. ACTIVITY-LEVEL INDICATORS	36
E. CONTEXT INDICATORS	36
SECTION V. NEXT STEPS	37
SECTION VI. ANNEXES	39
ANNEX I. DATA SUBMISSION FORM FOR PARTNERS	39
A. FORMS FOR BUSINESS SUPPORT ASSOCIATIONS	40
B. FORMS FOR MICROFINANCE INTERMEDIARIES	46
C. FORMS FOR TSG & INDEPENDENT CONSULTANTS	55
ANNEX II. MODIFICATIONS TO FY2003 R4 INDICATORS	60
ANNEX III. INDICATOR QUALITY ASSESSMENTS FOR R4 INDICATORS	61
ANNEX IV. DATA QUALITY ASSESSMENTS FOR R4 INDICATORS	65
ANNEX V. DATA QUALITY CHECKLIST	69
ANNEX VI. SCOPE OF WORK	72
ANNEX VII. WORK PLAN	74
ANNEX VIII. INDIVIDUALS / ORGANIZATIONS CONTACTED	75



SECTION I. INTRODUCTION

A. BACKGROUND

In 1999, USAID/Morocco developed a new Country Strategic Plan (CSP) for the period of FY 2000 – 2005. The Mission's goal for the 2000 – 2005 strategy period is "expanded resource base and capacity for sustainable development." The Economic Growth team's Strategic Objective (SO 5) in support of this goal is ***"increased opportunities for domestic and foreign investment."*** The SO Team intends to achieve this through a series of interventions aimed at leveraging change in the policy and administrative environment as well as strengthening the capacity of selected institutions that serve private enterprises.

USAID guidance (ADS 200 series) requires Operating Units to develop a Performance Monitoring Plan (PMP) for each Strategic Objective (SO) within one year of strategy approval (ADS 201.3.4.13). In order to comply with this guidance and to develop a PMP that would be useful for management purposes, the EG SO team requested consulting support from PricewaterhouseCoopers (PwC) under the Integrated Managing for Results (IMR) contract.

The PwC assistance was provided in two phases. The first phase occurred in March 2000, when PwC facilitated a review of the EG Results Framework and developed preliminary performance indicators. However, because most of the underlying activities within the EG strategy were not yet fully designed, only a preliminary PMP could be completed at that time. Between March and October 2000, the EG SO Team undertook a series of diagnostic studies and reached agreements with its partners on the level and scope of USAID assistance. Thus, by October 2000 most of the background work necessary to complete the PMP was available even though implementation of the new activities had not yet commenced and contractors (in the case of some activities) did not yet have a presence on the ground. The second phase of PwC assistance was therefore provided in October/November 2000 to complete a PMP in accordance with ADS 200 guidance. Specifically, PwC was asked to:

- ❖ Finalize performance indicators based on the most current information;
- ❖ Assess availability of data by reviewing reports and engaging in discussions with partners;
- ❖ Collect baseline data and assess data quality, when possible; and
- ❖ Establish a performance reporting system.

To achieve these objectives, PwC consultants engaged in in-depth discussions with EG SO Team members, reviewed documents (diagnoses, workplans, and agreements) developed in the previous six months, and met with USAID beneficiaries. The result of their work is summarized in this PMP, which builds on and updates the preliminary PMP developed in March 2000.

The PMP is organized as follows:

- ❖ Section I introduces the PMP and provides background information;
- ❖ Section II presents the Results Framework, logical consistency of the framework, and the critical assumptions underpinning the framework;
- ❖ Section III describes how the SO 5 Team should manage its program for results and covers issues such as responsibilities for various performance management tasks, including data collection, reporting, and analysis;
- ❖ Section IV contains Performance Indicator Reference Sheets for all results-level indicators and also documents activity-level and context-level indicators; and
- ❖ Section V focuses on next steps and identifies outstanding issues that will be completed at a later date.



B. GUIDING PRINCIPLES OF THE PMP

The Performance Monitoring Plan (PMP) is an important tool for managing and documenting portfolio performance. It enables timely and consistent collection of comparable performance data, which allows the SO Team to make informed program management decisions. The principles governing this PMP are based on the Agency's guidelines for assessing and learning (ADS 203.3.2.2):

A tool for self-assessment: This PMP has been developed to enable the EG SO team to actively and systematically assess its contribution to USAID/Morocco's program results and take corrective action when necessary. At its core are practical tools such as indicator reference sheets, partner data submission forms, and a performance management task schedule.

Performance-informed decision making: The PMP is also designed to ensure that management decisions at all levels are informed by the best available performance information. Consequently, progress will be measured at three levels using performance indicators. *Result level indicators* will show progress at the SO and IR levels. *Activity level indicators* will be utilized to track progress at the input-output level. In addition, *context indicators* will be measured to provide a perspective on the context within which USAID-assisted results are being achieved. Ongoing performance monitoring will be complemented by episodic data collection efforts through evaluations and special studies.

Candor and transparency: To increase transparency, indicator and data quality assessments have been conducted wherever possible and any known limitations documented in the PMP. Efforts were also made to ensure that result-level indicators selected can be reasonably attributed to USAID efforts.

Economy of effort: When selecting indicators, efforts were also made to streamline and minimize the burden of data collection and reporting. As such, efforts were made to utilize data that are already being collected by partners. In addition, the principle of "management usefulness" was applied to ensure that only data that would be useful for decision making would be collected.

Participation: Finally, the PMP has been developed in a participatory manner. Wherever possible, partners participated in the indicator selection and validation process and also contributed to the baseline data collection effort. This helps to ensure that the performance data collected are the most appropriate measures for the result. The PMP also emphasizes the importance of continuing to involve partners in the analysis of performance data.

C. BUDGETING FOR PERFORMANCE MANAGEMENT

The EG SO team has allocated resources for monitoring and evaluation in all funding mechanisms negotiated to date. As a rule of thumb, current ADS 203 guidance recommends allocating *three to ten percent* of total program resources for performance monitoring and evaluation. (During activity start-up and early implementation, these costs could be even higher due to development of appropriate management information systems.)

There is almost always a trade-off between cost and data quality. This trade-off was taken into consideration when selecting indicators and methods for data collection, and efforts were made to select the most cost-effective approaches. As such, most indicators draw on ongoing data collection efforts by partners and impose only minimal or no additional data collection requirements. Where primary data is collected (such as in estimating time to complete selected business processes), data will only be collected at selected points in the strategy period when change is most likely to be observed.



SECTION II. THE ECONOMIC GROWTH RESULTS FRAMEWORK

A. GRAPHICAL REPRESENTATION

The EG Team's Strategic Objective is "increased opportunities for domestic and foreign investment." This objective will be achieved through two Intermediate Results, which in turn will be realized through a series of activities with implementing partners.

The graphical representation on the following page illustrates this Results Framework.

**Context Indicators:**

- Financial risk rating for Morocco
- Economic & Political Risk Ratings
- Volume of Exports in targeted (agriculture, fisheries) sectors
- Number of tourist arrivals in targeted regions
- Hotel occupancy rate in targeted areas.
- Amount of land available for private use
- Number of new enterprises in targeted sectors (fisheries, tourism, agriculture)

USAID/MOROCCO ECONOMIC GROWTH RESULTS FRAMEWORK**STRATEGIC OBJECTIVE 5****Increased opportunities for domestic and foreign investment**Indicators:

- 5a Time needed to complete selected business processes
- 5b Cumulative number of micro-loans by USAID assisted micro-finance intermediaries
- 5c *Investors' perceptions of selected aspects of commercial laws and regulations (tentative)*
- 5d *Number of investor responses to tenders (tentative)*

INTERMEDIATE RESULT 5.1**Improved legal, administrative, regulatory and policy environment for private sector development**Indicators:

- 5.1a Progress in reengineering selected administrative processes – **R4**
- 5.1b *Availability and use of tools for applying commercial laws and regulations (tentative)*
- 5.1c *Percent of public tenders reflecting international standards (tentative)*

Investor
Roadmap IIIPublic
Concessions
LawAnalytical
Support to
the Ministry
of Justice**INTERMEDIATE RESULT 5.2****Strengthened capacity of selected institutions to foster private enterprise**Indicators:

- 5.2a Level of institutional capacity of Agadir commercial court – **R4**
- 5.2b Level of operational and financial sustainability of USAID assisted micro-finance intermediaries – **R4**
- 5.2c Revenues of targeted associations from services to members – **R4**
- 5.2d *Percent of new technology tenders that reflect industry best practice (tentative)*

Strengthen
Agadir
Commercial
CourtStrengthen
Business
Support
AssociationsMicro-
Finance
Lending
ActivityStrengthen
National
Telecom
Authority
(ANRT)



B. LOGICAL CONSISTENCY OF THE RESULTS FRAMEWORK

Activities under the Economic Growth SO will help to accelerate the pace of constructive legal and regulatory reforms, remove or reduce constraints to productive investment, strengthen institutions that support private sector expansion, and enhance opportunities for small and micro-enterprise development. The activities will contribute to achieving the EG Team's Strategic Objective "increased opportunities for domestic and foreign investment."

The activities in the EG team's portfolio currently fall into three categories: (a) activities that are ready for implementation; (b) activities that are still under design; and (c) potential activities.

ACTIVITIES READY FOR IMPLEMENTATION	ACTIVITIES UNDER DESIGN	POTENTIAL ACTIVITIES
<ul style="list-style-type: none">❖ Investor Roadmap III❖ Strengthening of the Agadir Commercial Court❖ Strengthening of Selected Business Support Associations❖ Support to Micro-Finance Lending Institutions	<ul style="list-style-type: none">❖ Analytical Support to the Ministry of Justice❖ Strengthening the National Telecommunications Regulation Authority (ANRT)❖ Support to improve the Public Concessions Law	<ul style="list-style-type: none">❖ Support to the National Investment Promotion Agency❖ Support to the National Agency for SME development❖ Trade & Investment Studies❖ Development of a Commercial Policy Tool Kit

The activities in the "Ready for Implementation" category are in an advanced stage of design – implementing instruments have been negotiated and signed, workplans have been or are being developed, and work is about to commence.

Activities in the "Under Design" category are in varying stages of definition. Though it is certain that these activities will be carried out, the details of "what" and "how" are still under discussion.

The third category includes a series of activities that may be included in the team's portfolio at a future date but are "on hold" at present for various reasons.

This PMP only covers the activities in the first column (i.e., "Ready for Implementation") in detail. While tentative indicators are proposed for the activities in the second column (i.e., "Under Design"), these are only tentative measures and should be reconsidered once those three activities are more fully designed. No indicators were developed for the "potential" activities. Changes to the Results Framework and/or the result-level indicators *may* need to be made if and when these new activities are developed. The SO Team should bear this in mind when developing new activities and systematically assess implications for the overall framework as well as the set of results-level indicators.

Though the activities in the first two columns are in varying stages of definition, it is clear that their implementation will lead to the achievement of two Intermediate Results (IRs). Analytical support to the Ministry of Justice, Phase III of the Investor Road Map exercise and improvements to the Public Concessions Law will lead to IR 5.1, "improved legal, administrative, regulatory and policy environment for private sector development." The Agadir Commercial Court activity, the activity focused on business support associations, the micro-finance lending activity and the support to ANRT will lead to the achievement of IR 5.2, "strengthened capacity of selected institutions to foster private enterprise." The MOJ activity includes several capacity-building elements and will also feed into IR 5.2.



Achievement of the two IRs will in turn lead to the achievement of the Strategic Objective. Thus, by the end of the strategy period, Moroccan businesses will benefit from: (1) fewer administrative and regulatory barriers to investment in areas supported by USAID; (2) more efficient service delivery from selected public and private sector institutions; and (3) increased access to finance, particularly for micro-enterprises.

The USAID EG team is a lead player among donors to Morocco. Even though USAID brings fewer resources to the table than some of the other donors, its resources are targeted to important demonstration activities (e.g., reengineering the land allocation process and the site development process under Roadmap III; capacity building and improvement of the litigation process in the Agadir commercial court; etc) that will be pivotal in leveraging the more substantial resources of other donors. The team therefore believes that successful implementation of its activities will cause progress at the IR level, and that progress at the IR level will lead to realization of the SO, the highest-level result in the framework. It also believes that results greater than those supported by USAID will also be achieved through the demonstration effect.

Progress at each result level will be measured using indicators that are identified in the framework. In addition, activity-level progress will be monitored to assess whether the inputs and outputs that will drive results achievement are being achieved in an efficient and timely manner. Result level measures and input/output measures will seek to capture only those results that are attributable to USAID assistance. In addition, contextual information will also be systematically collected and reviewed to monitor changes in sectors associated with USAID reform targets¹. Furthermore, some result indicators have been designed in a way as to capture the success of demonstration activities in outer years of the strategy period.²

C. CRITICAL ASSUMPTIONS

The following fundamental assumptions underpin the activities that will be implemented by the Economic Growth SO Team:

- ❖ Exogenous factors (civil unrest, military conflict, and natural disasters) do not dampen prospects for substantially increased levels of economic activity in Morocco.
- ❖ Counterparts within agencies of government participating in USAID-financed activities will work collaboratively and in good faith with the activity contractors.
- ❖ Administrative and regulatory reform continues to be a high priority of the Government of Morocco.

¹ Context indicators are measures of results that are affected by a range of factors, of which USAID assistance is one. They are helpful in describing the “big picture” but are not intended to measure the impact of USAID-assisted results.

² For example, the indicator measuring “time to complete selected business processes” will initially capture average time to complete processes targeted for reengineering by USAID. However, since the hope is that the reengineering approach will be replicated and applied to other processes, the indicator can also be utilized in outer years of the strategy period to capture changes in time to complete other business processes as well.



SECTION III. MANAGING SO 5 FOR RESULTS

USAID staff and partners have specific roles and responsibilities in the overall performance monitoring system. The following table outlines these responsibilities for each of the major steps in the monitoring process, which are further discussed in detail in this section:

MAJOR STEPS	RESPONSIBILITY
Collecting performance data	USAID partners; EG team
Conducting evaluations and special studies	Economic Growth SO Team, USAID
Reviewing performance information	Economic Growth SO Team, USAID
Reporting performance results (<i>annual R4 process</i>)	Economic Growth SO Team, USAID
Assessing data quality	Economic Growth SO Team, USAID
Reviewing and updating the PMP	Economic Growth SO Team, USAID

A. COLLECTING PERFORMANCE DATA

1. Levels of Performance Data

The Economic Growth PMP measures performance data at three levels:

- ❖ **Results-level** indicators refer to indicators of program results that can be reasonably attributable to USAID efforts and for which USAID is willing to be held accountable. Attribution exists when the causal linkages between USAID activities and measured results are clear and significant. These indicators directly correspond to the IRs and SOs laid out in the Economic Growth Results Framework and also serve as the basis for performance reporting to USAID/Washington.
- ❖ **Activity-level** indicators refer to indicators that provide useful data for ongoing, continuous management of activities by the SO Team. These indicators generally provide more operational data than results-oriented data. Activity-level data can therefore be used to assess partner performance and address operational issues. These indicators are primarily drawn from the agreements and workplans agreed upon by USAID and its activity partners.
- ❖ **Context** indicators are measures that provide a broader perspective on the context within which USAID assistance is being provided. Sometimes they are indicators of development results that are influenced by multiple factors, such as donor assistance, government action, or climatic conditions, and therefore cannot be directly attributed to USAID assistance. Context indicators could also be measures of assumptions that underpin USAID's development strategy in a given country. In general, context indicators are macro-statistics that provide valuable information on the environment in which USAID operates.

Collectively, these indicators represent the performance data needed for both reporting and management purposes.



2. Data Collection Responsibilities

Partners provide much of the data that serves as the basis of USAID's results-level monitoring and reporting. The following table summarizes data collection responsibilities for each partner for results-level data.

For results-level data, partner data submission forms summarize the details about the data that each partner is required to collect. These forms are attached in Annex 1 of this PMP. Partners should follow the guidelines in the data submission forms when submitting their data to USAID.



PARTNER & STAFF DATA COLLECTION RESPONSIBILITIES, BY RESULTS-LEVEL PERFORMANCE INDICATOR

USAID PARTNER	PERFORMANCE INDICATORS	TIMING OF DATA REPORTS*	SEND DATA REPORTS TO:
The Services Group (TSG)	<i>Indicator 5a:</i> Time needed to complete selected business processes (<i>land acquisition and registration; site development process</i>)	Twice during strategy period (at conclusion of Roadmap III activity, during FY2002)	Kamal Sebti, USAID
	<i>Indicator 5.1a:</i> Progress in reengineering selected (land acquisition and registration process; site development process) administrative processes	Quarterly	Kamal Sebti, USAID
	<i>Context Indicator:</i> Amount of land available for use	Annually	Kamal Sebti, USAID
Fondation Zakoura	<i>Indicator 5b:</i> Cumulative number of micro loans by USAID-assisted micro-finance intermediaries <i>Indicator 5.2b:</i> Level of operational and financial sustainability of USAID-assisted micro-finance intermediaries	Quarterly	Jamal Dadi, USAID
INMAA	<i>Indicator 5b:</i> Cumulative number of micro loans by USAID-assisted micro-finance intermediaries <i>Indicator 5.2b:</i> Level of operational and financial sustainability of USAID-assisted micro-finance intermediaries	Quarterly	Jamal Dadi, USAID
AI Amana/VITA	<i>Indicator 5b:</i> Cumulative number of micro loans by USAID-assisted micro-finance intermediaries <i>Indicator 5.2b:</i> Level of operational and financial sustainability of USAID-assisted micro-finance intermediaries	Quarterly	Jamal Dadi, USAID
Housing MFI (TBD)	<i>Indicator 5b:</i> Cumulative number of micro loans by USAID-assisted micro-finance intermediaries <i>Indicator 5.2b:</i> Level of operational and financial sustainability of USAID-assisted micro-finance intermediaries	Quarterly	Jamal Dadi, USAID
GRIT	<i>Indicator 5.2c:</i> Revenues of targeted associations from services to members <i>Context Indicator:</i> Number of tourist arrivals in Agadir <i>Context Indicator:</i> Hotel occupancy rate in Agadir <i>Context Indicator:</i> Number of new enterprises in tourism sector in Agadir	Annually	U.S. Resident Advisor, Agadir
FIPROMER	<i>Indicator 5.2c:</i> Revenues of targeted associations from services to members <i>Context Indicator:</i> Volume of fisheries exports from Agadir <i>Context Indicator:</i> Number of new enterprises in fisheries sector in Agadir	Annually	U.S. Resident Advisor, Agadir
APEFEL	<i>Indicator 5.2c:</i> Revenues of targeted associations from services to members <i>Context Indicator:</i> Volume of agriculture exports from Agadir <i>Context Indicator:</i> Number of new enterprises in agriculture sector in Agadir	Annually	U.S. Resident Advisor, Agadir
Consultant (TBD)	<i>Indicator 5.2a:</i> Level of institutional capacity of Agadir Commercial Court	Annually	U.S. Resident Advisor, Agadir; Kamal Sebti, USAID
Consultant (TBD)	<i>Indicator 5a:</i> Time needed to complete selected business processes (<i>commercial litigation process in Agadir Commercial Court</i>)	Annually	Kamal Sebti, USAID
EG Team	<i>Context Indicator:</i> Financial risk rating for Morocco; Economic and Political risk ratings for Morocco. Source: International Country Risk Guide	Annually	

*Quarterly reports are due 15 days after the end of each quarter during the calendar year (i.e., no later than January 15, April 15, July 15, and October 15)

*Annual reports are due one month after the end of the calendar year (i.e., no later than January 31)



B. CONDUCTING EVALUATIONS & SPECIAL STUDIES

Regular, scheduled performance monitoring requires a level of simplicity and practicality in data collection efforts, which makes it difficult to assess more complex issues of management concern. Furthermore, performance indicators are only able to “indicate” progress and cannot be used to determine “why” a certain result occurs. Evaluations and special studies are ways in which the EG team can complement its routine performance monitoring efforts with more rigorous, in-depth analysis on topics of special interest. Potential future evaluations and special studies include:

SUBJECT OF EVALUATIONS/SPECIAL STUDIES	POTENTIAL METHODOLOGY	TIMELINE
Evaluation of the institutional capacity of USAID-assisted Business Support Associations	Institutional assessment using methodology used by Sud Contact in diagnostic study	End of strategy period (FY 2005)
Mandatory financial audit of grantees that expend \$300,000 or more per their fiscal year in USAID awards (i.e., Fondation Zakoura)	Financial analysis (see ADS Chapters 590 & 591 for methodology/guidance)	Annual
Non-mandatory financial review of Fondation Zakoura (to assess mid-term results before allocating subsequent funding)	Verification of MFI financial information <i>(by Financial Analyst Amine Abdelmajid)</i> Operational site visits <i>(by Amine Abdelmajid & Jamal Dadi)</i>	April, 2001
SO 5 Strategic Review (assessment to feed into mid-course CSP review)	External assessment of activities and development hypothesis	August, 2001
Estimation of increased investment attributed to reengineering key business processes	Impact analysis	End of strategy period



C. REVIEWING PERFORMANCE INFORMATION

To help make effective management decisions, the Economic Growth SO Team must internally review and analyze performance data during the course of the fiscal year. Depending on the results of these reviews, the SO Team may need to adjust its programming and activities.

USAID/Morocco currently has two scheduled opportunities whereby each SO team reflects on program performance. Annual Activity Implementation Reviews (AIRs) serve as periodic operational reviews, while the annual R4 Review focuses on strategic issues in the process of preparing the annual R4 report. Both are primarily focused on reporting.

The revised ADS 200 guidance requires each SO team to conduct an annual portfolio review. The portfolio review is defined as: "a required systematic analysis of the progress of an SO by the SO Team and its Operating Unit. It focuses on both operational and strategic issues and examines the robustness of the underlying development hypothesis and the impact of activities on results. It is intended to bring together various expertise and points of view to arrive at a conclusion as to whether the program is "on track" or if new actions are needed to improve the chances of achieving results." (ADS 203.3.3). At a minimum, a portfolio review must examine the following:

- ❖ Progress towards SO achievement and expectations regarding future results achievement;
- ❖ Evidence that outputs of activities are adequately supporting the relevant IRs and ultimately contributing to the achievement of the SO;
- ❖ Adequacy of inputs for producing activity outputs and efficiency of processes leading to outputs;
- ❖ Status and timeliness of input mobilization efforts;
- ❖ Status of critical assumptions and causal relationships defined in the results framework, along with the related implications for performance towards SOs and IRs;
- ❖ Status of related partner efforts that contribute to the achievement of IRs and SOs;
- ❖ Status of the operating unit's management agreement and the need for any changes to the approved strategic plan;
- ❖ Pipeline levels and future resource requirements;
- ❖ SO team effectiveness and adequacy of staffing; and
- ❖ Vulnerability issues and related corrective efforts.

(From ADS 203.3.3)

Clearly, the requirements of the portfolio review go significantly beyond the AIR and R4 Review exercises that the EG team currently undertakes. However, with some enhancements, these two exercises together could be improved to meet the requirements set forth in ADS 203.3.3. The AIR could fulfill the "operational" review component, while the R4 review could fulfill the strategic review component. However, the process by which each review is currently undertaken would need to be improved to systematically address all operational and strategic issues required in ADS 203.3.3. Partner participation is also strongly recommended. The EG team should consult ADS Tables 203 A, 203 B, and 203 C for ideas on how to improve the portfolio review process.



The following table outlines scheduled Economic Growth SO Team performance reviews:

TYPE OF REVIEW	WHEN	PURPOSE
Partner Activity Progress Review	Monthly/quarterly (depending on activity)	❖ Informal monitoring of partner activities through review of partner progress reports and discussion
Activity Implementation Review (AIR)	Annually (4 th quarter)	❖ Operational Review – activity progress, inputs, outputs, efficiency, implementation arrangements
R4 Review	Annually (2 nd quarter)	❖ Strategic Review – assess progress towards results, review development hypothesis, examine interface between strategy and tactics.
Mid-term Strategy Review	FY 2002 (2 nd quarter)	❖ Agency review of the EG strategy



D. REPORTING PERFORMANCE RESULTS: The Annual R4 Process

USAID uses performance information not only to assess Operating Unit progress but also as the basis of its resource request for subsequent years and to share knowledge and enhance learning throughout the organization. Like other Operating Units, USAID/Morocco submits an annual R4 report on its performance against expected results, including both its successes and areas identified for improvement.

Each year, the R4 is prepared in accordance with the specific guidance for that year issued by the Agency. The R4 is prepared using two main sources of information: (a) SO and IR performance indicator data; and (b) the portfolio review process described earlier. More detailed guidance on the R4 process is contained in ADS 203.3.6. The PMP is a key document in preparing the Results Review portion of the R4 since it contains information on all SO and IR performance indicators, including indicator and data quality assessments, responsibilities for data collection and analysis, and the management utility of each indicator. Agency guidance requires all R4 indicators to meet Agency standards for indicator quality and data quality. These standards are described in ADS 203.3.6.5. Indicator and data quality assessments for all R4 indicators have been conducted and are contained in Annexes III and IV, respectively.

In its FY 2002 R4, USAID/Morocco committed to reporting on the following indicators in the FY 2003 R4 (to be completed by March 31, 2001):

RESULTS LEVEL	<u>PLANNED FY 2003 R4 PERFORMANCE INDICATORS</u>
IR 5.1	<i>Indicator:</i> Progress in improving selected aspects of commercial law.
	<i>Indicator:</i> Progress in reengineering administrative processes in selected agencies of government.
IR 5.2	<i>Indicator:</i> Effectiveness of micro-finance intermediaries.
	<i>Indicator:</i> Increased membership in targeted business associations.

These indicators were proposed at a time when the EG activities were not fully developed and the indicators were also not finalized. As a result, one indicator has changed completely, while the remaining three indicators have been modified for clarity. The modifications made to the FY 2003 R4 indicators and the reasons for modification are explained in detail in Annex II. The actual indicators that the EG team will report in its FY2003 R4 are as follows:

RESULTS LEVEL	<u>ACTUAL FY 2003 R4 PERFORMANCE INDICATORS</u>
IR 5.1	<i>Indicator:</i> Progress in reengineering selected administrative processes
IR 5.2	<i>Indicator:</i> Level of institutional capacity of Agadir Commercial Court
	<i>Indicator:</i> Level of operational and financial sustainability of USAID-assisted micro-finance intermediaries
	<i>Indicator:</i> Revenues of targeted business associations from services to members



E. ASSESSING DATA QUALITY

Internal USAID standards for data quality have become increasingly rigorous, primarily due to growing scrutiny of USAID resource use and performance results by external reviewers – namely, Congress, OMB, and the public. Poor-quality data poses a two-fold problem: (1) it prevents accurate decision-making by management; and (2) it skews information used for reporting purposes. In order to measure and attribute results accurately – for both reporting and management needs – the Economic Growth SO Team must ensure that data meets certain criteria, as outlined in ADS 203 guidance:

- ❖ **Validity:** Data must clearly, directly, and adequately represent the result that it intends to measure. Measurement errors, unrepresentative sampling, and simple transcription errors can negatively impact data validity.
- ❖ **Reliability:** Data must reflect stable, consistent data collection and analysis processes over time. Variations in data collection methods over time can interfere with efforts to judge performance progress accurately. (One test of data reliability is whether a different person can go back to the same raw data set and come up with the same answer as the original researcher.)
- ❖ **Timeliness:** Data must be available with enough frequency and must be sufficiently current so it can inform management decision-making. Infrequently collected, out-of-date information yields little useful information for making decisions. *As a rule of thumb, data should be available quarterly if used for management decisions;* data collected on an annual basis might be helpful for long-term management but is usually not as effective for making shorter-term, operational decisions.
- ❖ **Precision:** Data must be accurate enough to present a fair picture of performance. Normally, data measurements fall into a range (the “margin of error”) around the real value. Two issues related to precision should be given consideration. First, the change being measured (e.g., a 10% increase in revenue) must be greater than the margin of error (e.g., 5%). Second, a +/- 10% accuracy range is generally acceptable, particularly for data drawn from large international data sets.
- ❖ **Integrity:** Mechanisms should be in place to reduce the possibility that data will be manipulated for political or personal reasons. This is admittedly difficult to assess, but it remains an issue to keep in mind when setting up systems to collect and review data.

The minimum ADS requirement is that all R4 indicators must meet the Agency’s standards for data quality. For R4 indicators data quality should be assessed initially when indicators are being established and baseline data are collected and re-assessed at least every three years. (ADS 203.3.6.6). Good practice recommends that this be undertaken for *all* indicators so that the SO Team’s confidence in the data increases. The PwC team conducted initial data quality assessments for all indicators where it was possible to do so. The results are documented in the relevant indicator reference sheets and also in the data quality assessment sheets for R4 indicators.

Data Quality Assessment Procedures: As much as possible the EG team should integrate data quality assessment into ongoing activities (e.g., combine a random check of partner data during a regularly scheduled site visit). This minimizes the costs associated with data quality assessment. When conducting data quality assessments, EG team members should use the Data Quality Checklist (Annex VI) as a guide. Findings should be written up in a short memo and filed in the team’s performance management files. If the SO Team determines any data limitations exist for performance indicators (either during initial or periodic assessments), it should correct these limitations to the greatest extent possible. The SO Team should document any actions taken to address data quality problems in the appropriate Performance Indicator Reference Sheet(s). If data limitations prove too intractable and damaging to data quality, the SO Team should seek out alternative data sources, or possibly even develop alternative indicators.



F. REVIEWING AND UPDATING THE PMP

The PMP serves as a “living” document that the Economic Growth SO Team should use to guide its performance management efforts. One of the key principles of the PMP is that it should be a useful tool for management and organizational learning; the PMP is *not* merely a mechanism to fulfill USAID/Washington reporting requirements. As such, it should be updated as necessary to reflect changes in EG strategy and/or activities.

PMP implementation is therefore not a one-time occurrence, but rather an ongoing process of review, revision, and re-implementation. The PMP should be reviewed and revised at least annually and as necessary. This can be done during the Annual R4 Review/Portfolio Review process. When reviewing the PMP, the SO Team should consider the following issues:

- ❖ Are the performance indicators working as intended?
- ❖ Are the performance indicators providing the information needed?
- ❖ How can the PMP be improved?

If the SO Team makes major changes to the PMP regarding indicators or data sources, then the rationale for adjustments should be documented. If more minor PMP elements, such as indicator definition or responsible individual, change, the PMP should be updated to reflect these changes, but the rationale does not need to be documented.



G. OVERALL PERFORMANCE MANAGEMENT TASK SCHEDULE

KEY TO SYMBOLS: "☑" = scheduled task

"E" = episodic task

PERFORMANCE MANAGEMENT TASKS	Episodic	FY 2001				FY 2002				FY 2003				NOTES
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
COLLECT PERFORMANCE DATA: RESULTS-LEVEL INDICATORS														
SO 5: Increased opportunities for domestic and foreign investment														
Time needed to complete selected business processes			☑				☑							Baseline data for the litigation process needs to be collected. Baseline data for other 2 processes already exists. TSG will collect FY02 Q2 data. USAID will need to collect at end of strategy period.
Cumulative number of micro-loans by USAID-assisted micro-finance intermediaries		☑	☑	☑	☑	☑	☑	☑	☑	☑	☑	☑	☑	
Investors' perceptions of selected aspects of commercial laws and regulations (tentative)			☑								☑			Collect only 3 times during the strategy period. At start to establish the baseline, once at mid point and at the end.
Number of investor responses to tenders (tentative)														Timing TBD
IR 5.1: Improved legal, administrative, regulatory and policy environment for private sector development														
Availability and use of tools for applying commercial laws and regulations (tentative)			☑				☑				☑			
Progress in reengineering selected administrative processes			☑				☑							The reengineering activity will be concluded in 12 months.
Percent of public tenders reflecting international standards (tentative)														Timing TBD



PERFORMANCE MANAGEMENT TASKS	Episodic	FY 2001				FY 2002				FY 2003				NOTES	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
IR 5.2: Strengthened capacity of selected institutions to foster private enterprise															
Level of institutional capacity of Agadir commercial court			☑				☑				☑				
Level of operational & financial sustainability of USAID-assisted MFIs			☑	☑	☑	☑	☑	☑	☑	☑	☑	☑	☑		
Revenues of targeted associations from services to members			☑				☑				☑				
Percent of new technology tenders that reflect industry best practice (tentative)														Timing TBD	
COLLECT PERFORMANCE DATA: ACTIVITY-LEVEL & CONTEXT INDICATORS															
Gather activity data/partner progress reports		☑	☑	☑	☑	☑	☑	☑	☑	☑	☑	☑	☑	Activity level information will be collected monthly or quarterly depending on the activity.	
Gather contextual data	E		☑				☑				☑			Most contextual data will be collected prior to the R4 exercise each year. However, collection of some contextual data might be episodic.	
CONDUCT EVALUATIONS & SPECIAL STUDIES															
Estimation of increased investment attributable to reengineering key business processes	E													Evaluation to assess impact of USAID interventions. Most likely to be useful towards end of strategy period.	
Evaluation of institutional capacity of business support associations	E													Use same methodology as diagnostic studies. Build into contract for resident advisor. End of strategy period.	
Non mandatory financial review of MFI partners				☑										April 2001	
SO 5 Strategic Review					☑									External assessment to feed into mid-course CSP review) – Aug 2001	
Mandatory Financial audits						☑				☑				Annual	



PERFORMANCE MANAGEMENT TASKS	Episodic	FY 2001				FY 2002				FY 2003				NOTES	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
REVIEW PERFORMANCE INFORMATION															
Partner Activity Progress Review		☑	☑	☑	☑	☑	☑	☑	☑	☑	☑	☑	☑	Informal review of monthly/quarterly partner progress reports.	
Annual Activity Implementation Review					☑				☑				☑	This represents the operational level assessment of the required annual portfolio review	
Annual R4 Review			☑				☑				☑			This represents the strategic/result level assessment of the required portfolio review.	
Mid-term CSP Review (Washington Review)							☑								
REPORT PERFORMANCE RESULTS															
Budget Justification															
R4 Report			☑				☑				☑				
ASSESS DATA QUALITY															
Assess quality of partner data	E													Data quality verification is mandatory for all R4 indicators at the start of the activity and at least every three years. Verification of ALL indicators is strongly recommended.	
REVIEW & UPDATE PMP															
Review PMP and update if necessary	E													The PMP is a living document and should be reviewed and updated as required. In particular, if new activities undertaken, the Results Framework and the adequacy of current indicators should be reassessed.	



SECTION IV. PERFORMANCE INDICATOR REFERENCE SHEETS

The following section contains detailed Performance Indicator Reference Sheets for each **results-level** indicator. If current results-level indicators are refined and/or additional indicators developed, the Economic Growth SO Team should create new indicator sheets based on this template. Each reference sheet is fully consistent with the guidance (mandatory and suggested) contained in ADS 200 and provides information on:

- ❖ Indicator definition, unit of measurement, and any data disaggregation requirements;
- ❖ USAID data acquisition method, data sources, timeline for data acquisition, and USAID staff responsible for data acquisition;
- ❖ Plans for data analysis, review, and reporting;
- ❖ Any data quality issues, including any actions taken or planned to address data limitations; and
- ❖ Notes on baselines, targets, and data calculation methods.

A complete table of performance data (baselines, targets, and actuals) for all **results-level** indicators is contained in the Excel spreadsheet that accompanies this PMP.

This section also contains information on **activity-level** and **context-level** indicators. **Activity-level** indicators provide useful data for ongoing, continuous management of activities by the SO Team and generally provide more operational (inputs, outputs) information. These indicators are primarily drawn from the agreements and workplans agreed upon by USAID and its activity partners. **Context-level** are generally macro-statistics that provide valuable information on the environment in which USAID operates but cannot be directly attributed to USAID because they are influenced by multiple factors of which USAID is only one. General information on the types of data collected as both activity-level and context-level indicators is included at the end of this section.

Note on Data Collection by *Calendar Years*

Throughout the performance monitoring process, data will be collected according to the calendar year (and *not* the USAID fiscal year). Thus targets, baselines, and actual performance data will be stated in terms of the January 1 – December 31 time period.

Note on Baselines and Targets

Some indicators do not yet have a baseline (where the activity hasn't yet commenced). Because it has been determined that data will be collected on a calendar year basis, other indicators have baseline data only through October 2000, which would need to be updated through the end of the calendar year. Baseline data for these indicators will need to be collected at the beginning of CY 2001 and performance targets established for 2002 and beyond. The specific indicators requiring action are noted in Section V of this PMP – "Next Steps".



A. SO 5 RESULTS-LEVEL INDICATORS

Strategic Objective 5:

Increased Opportunities for Domestic and Foreign Investment

- ❖ *Indicator 5a:* Time needed to complete selected business processes
- ❖ *Indicator 5b:* Cumulative number of micro loans by USAID-assisted micro-finance intermediaries
- ❖ *Indicator 5c:* Investors' perceptions of selected aspects of commercial laws and regulations
(tentative – no indicator reference sheet at present)
- ❖ *Indicator 5d:* Number of investor responses to tenders (tentative – no indicator reference sheet at present)



SO 5 PERFORMANCE INDICATOR REFERENCE SHEET	
Strategic Objective 5: Increased Opportunities for Domestic and Foreign Investment	
Indicator 5a: Time needed to complete selected business processes.	
DESCRIPTION	
<p>Precise Definition: Average number of months it takes from the time a request for service is initiated to when the action is completed. Initially, the targeted business processes will be: (a) land acquisition and registration process in Agadir; (b) site development process in Agadir; and (c) commercial litigation process in the Agadir Commercial Court.</p> <p>Unit of Measure: Average # of months to complete a process.</p> <p>Disaggregated by: <i>process</i> (land allocation & delivery; site development; commercial litigation); <i>stages of each process</i> (see next page). <i>[Note: for land allocation & site development processes, stages of process should be verified with TSG.]</i></p> <p>Management Utility: Time to allocate and develop land, develop sites, and litigate commercial cases are cited as major impediments to investment in Morocco. Thus, a reduction in the time taken to complete these processes in the targeted geographical region (Agadir) clearly represents improved opportunities for investment.</p>	
PLAN FOR DATA ACQUISITION BY USAID	
<p>Data Acquisition Method: <u>Land Allocation & Delivery Process and Site Development Process:</u> TSG will submit a report to USAID at the conclusion of the Roadmap III activity (some time during FY2002) on time to complete each of the two processes. TSG will gather primary data through focus groups and interviews and also review secondary source data (e.g., reports by others on time to complete the targeted process) if available. Since it is unlikely that there will be much change from the baseline level of performance by FY 2002, USAID will need to repeat the data collection exercise at the end of the strategy period. <u>Litigation Process:</u> Annual report from independent consultant hired by USAID. Consultant will conduct a review of a random sample of court records to determine time to complete litigation process. Efforts should be made to ensure that the sample size is sufficient for accurate estimation of population trends and that sample selection is random (e.g., select every nth case filed in the court for review).</p> <p>Data Source(s): TSG for land acquisition and registrations process and site development process; independent consultant for litigation process (consultant will need to gather raw data from Agadir Commercial Court).</p> <p>Timing/Frequency of Data Acquisition: Report due one month after the end of the calendar year (i.e., no later than January 31); Annual for litigation process; twice during strategy process for land allocation and site development processes.</p> <p>Responsible Individual(s) at USAID: Kamal Sebti, Economic Growth SO Team.</p>	
PLAN FOR DATA ANALYSIS, REVIEW, & REPORTING	
<p>Data Analysis: Data analyzed and summarized by TSG (land allocation; site development) and independent consultant (litigation), who will provide written analyses of data for each process and submit to Kamal Sebti, USAID.</p> <p>Presentation of Data: Bar or line graphs of time to complete each process.</p> <p>Review of Data: Annual review by TSG & Kamal Sebti for land acquisition & registration and site development data; Annual review by U.S. Resident Advisor & Kamal Sebti for litigation data; Annual review by Kamal Sebti & EG SO Team for both sets of data.</p> <p>Reporting of Data: Used for Activity Implementation Reviews (AIRs), Annual R4/Portfolio Review.</p>	
DATA QUALITY ISSUES	
<p>Initial Data Quality Assessment: <u>Land allocation & Site Development (11/00: PwC):</u> Baseline data were from primary and secondary sources. Primary data collection was through focus groups and interviews where efforts were made to include domestic and foreign investors as well as firms of different sizes. In general, there appear to have been substantial efforts to triangulate data and verify accuracy. While there are inherent difficulties in obtaining completely accurate estimates, the baseline data is considered to be of reasonable quality. <u>Litigation:</u> TBD</p> <p>Known Data Limitations and Significance (if any): Land allocation & Site Development – no significant limitations; Litigation - TBD</p> <p>Actions Taken or Planned to Address Data Limitations:</p>	
NOTES ON PERFORMANCE DATA	
<p>Note on Baseline/Targets: Targets will need to be set with TSG for the land acquisition and site development processes once they have a presence on the ground. Baselines and targets will need to be established for the litigation process once activity implementation commences.</p>	



ADDITIONAL COMMENTS

USAID will start out measuring only the processes targeted for reform under Road Map III and the Agadir Commercial Court activity. However, in later years of the strategy, the EG team intends to measure time to complete additional processes that will be reengineered following the demonstration projects funded by USAID. Caution should be exercised that only true replications should be monitored to avoid attribution problems.

***NOTE: PLEASE SEE TABLE ON FOLLOWING PAGE FOR
INDICATOR 5A BUSINESS PROCESS STAGES**



SELECTED PROCESS	STAGES INVOLVED IN BUSINESS PROCESS
<p><u>Litigation process</u></p> <p><i>(average number of months for each of the following stages)</i></p>	<p>Stage (1): "Case Filing": Time from when litigant requests a hearing to when judge contacts the notifying clerk;</p> <p>Stage (2): "Notification": Time from when judge contacts the notifying clerk to when the clerk notifies the parties;</p> <p>Stage (3): "First Hearing": Time from when parties are notified to when First Hearing is held;</p> <p>Stage (4): "Deliberation": Time from when First Hearing is held to when Final Hearing is held; this includes the time for judge(s) to deliberate and/or hold more hearings (includes time for reporter investigation, if applicable);</p> <p>Stage (5): "Issuance of Final Judgment": Time from when Final Hearing is held to when judge issues Final Decision;</p> <p>Stage (6): "Winner Notification": Time from when Final Decision is issued to when court notifies winner;</p> <p>Stage (7): "Loser Notification": Time from when winner is notified to when loser is notified of final judgment.</p>
<p><u>Land acquisition and registration process</u></p> <p><i>(average number of months for each of the following stages)</i></p>	<p>Stage (1A): Optional: "Local Authorities Approval": Time from when investor submits application to acquire land to when all approvals are granted (When land is purchased from the local authorities)</p> <p>Stage (1A): Optional/Alternate: "Approval by Directorate of State Lands": Time from when the investor's project passes to the local Directorate of State Lands to when the Directorate approves the application. (When land is purchased from Directorate of State Lands)</p> <p>Stage (1B): Optional: "Negotiation with Technical Commission": Time from when Seller authorizes sale and it passes on to technical commission to when the plan for sale is authorized in principle by the Commission (When the land is subject to Technical Authorization. E.g., coastal lands, reposessed agricultural lands, etc.)</p> <p>Stage (2) Optional: "Determination of price by local authorities": Time from when all sales and technical approvals in principle are obtained from above authorities in Stages 1A and, when applicable 1B, and the price of sale is set by the local authorities selling the land. (When land is purchased from the local authorities)</p> <p>Stage (3) Mandatory: "Preparation of decree of sale": Time from when Commission authorizes sale to when Directorate of State Lands sends the decree of sale to the Prime Minister for signature.</p> <p>Stage (4) Optional "Prime ministers signature": Time from when the decree of sale is sent to the Prime Minister to when the decree with the Prime Minister's signature is received by the investor (When the land is purchased from the Directorate of State Lands)</p> <p>Stage (5) Optional: "Notification of Sale by the Directorate of State Lands": Time from when the PM signs the approval of the sale and the investor is notified of final approval (When the land is purchased from the Director of State Lands)</p> <p>Stage (6) Mandatory: "Land registration": Time from when Prime Minister's signature is received to when a copy of the title with new inscription is issued.</p>



<p><u>Site development process</u> <i>(average number of months for each of the following stages)</i></p>	<p>This is a generic process for site development. The stages should be verified with TSG once they have a presence on the ground and begin implementing activity.</p> <p>Stage (1): Optional: "Secure construction permit": Time from when an application for a construction permit is filed to when the permit is issued. (when development is required)</p> <p>Stage (2): Optional: "Secure Certificate of End of Development Works" Time from when(When development is required)</p> <p>Stage (3): Optional: "Secure subdivision permit" Time from when.....(When subdivision is required)</p> <p>Stage (4): Optional: "Secure Certificate of End of Subdivision Works" Time from when.....(When subdivision is required)</p> <p>Stage (5) Mandatory: "Secure Certificate of Good State of Roads and Utility Grids" Time from when</p> <p>Stage (6) Mandaotry: "Secure construction permit".Time from when an application for a construction permit is filed to when the permit is issued.</p> <p>Stage (7): Optional: "Secure electricity connection": Time from when an application for electricity connection is file to when " (when connection is desired)</p> <p>Stage (8): Optional: "Secure water connection": Time from when(when connection is desired)</p> <p>Stage (9): Optional: "Secure telephone connection": Time from when(when connection is desired)</p>
--	---



SO 5 PERFORMANCE INDICATOR REFERENCE SHEET
Strategic Objective 5: Increased Opportunities for Domestic and Foreign Investment
Indicator 5b: Cumulative number of micro loans by USAID-assisted micro-finance intermediaries.
DESCRIPTION
<p>Precise Definition: Total number of micro-loans made with USAID assistance by INMAA, Zakoura, Al Amana/VITA and housing MFI (TBD) since inception of USAID assistance; loans counted should be targeted at housing, rural credit, peri-urban credit, and urban credit.</p> <p>Unit of Measure: Cumulative number of micro-loans.</p> <p>Disaggregated by: <i>gender of loan recipients</i>¹ (male; female); <i>percentage of clients who repeat loans</i>² (calculated as number of clients who renewed loans in each quarter divided by total number of clients in each quarter); <i>implementing partner</i> (Fondation Zakoura; INMAA; Al Amana/VITA; Housing MFI – TBD); <i>loan category</i> (housing; rural; peri-urban³; urban).</p> <p>Management Utility: Micro-finance loans are expected to generate additional income for clients and related households; these loans mobilize and leverage investment capital for low-income populations. The volume of loans therefore indicates increased opportunities for domestic investment. The indicator also measures the volume of loans after USAID assistance ends, and MFIs become operationally/financially self-sustaining.</p>
PLAN FOR DATA ACQUISITION BY USAID
<p>Data Acquisition Method: Implementing partners (Fondation Zakoura, INMAA, Al Amana/VITA, and Housing MFI) report data from their accounting/financial management records and submit reports to Jamal Dadi, USAID. (When housing credit activity begins, the selected implementing partner will also submit reports to Jamal Dadi, USAID.)</p> <p>Data Source(s): Implementing partner records.</p> <p>Timing/Frequency of Data Acquisition: Quarterly reports, due 15 days after the end of each quarter during the calendar year (i.e., no later than January 15, April 15, July 15, and October 15).</p> <p>Responsible Individual(s) at USAID: Jamal Dadi, Economic Growth SO Team.</p>
PLAN FOR DATA ANALYSIS, REVIEW, & REPORTING
<p>Data Analysis: Data analyzed and summarized by implementing partners.</p> <p>Presentation of Data: Data presented in tables and charts, broken down by disaggregation categories.</p> <p>Review of Data: Quarterly review of data by Jamal Dadi; Annual review with EG SO Team.</p> <p>Reporting of Data: Used for Activity Implementation Reviews (AIRs), Annual R4/Portfolio Review.</p>
DATA QUALITY ISSUES
<p>Initial Data Quality Assessment: There is some potential for transcription error but at least some of the MFI's appear to have internal controls (such as spot checks by supervisors) that would minimize the occurrence of transcription problems. Consistent data collection processes exist for each of the targeted MFIs. Internal quality controls, through checking mechanisms and procedures (i.e., from field agents to credit managers and office coordinators), exist for financial data collection, and data collection procedures are transparent from one level (i.e., the field) to the next (i.e., headquarters). Data is continuously available because MFIs collect the data on an ongoing basis, and quarterly reporting of data will allow for effective management decision-making. Data provided will be the most current available at the time.</p> <p>Known Data Limitations and Significance (if any): No significant limitations; calculating the number of micro loans is straightforward and easily determined from partner accounting and financial management systems.</p> <p>Actions Taken or Planned to Address Data Limitations: N/A</p>
NOTES ON PERFORMANCE DATA
<p>Note on Overall Targets: Targets for outer years of the strategy period should exceed the number of loans possible under allocated USAID resources in order to take into account increasing MFI operational and financial sustainability.</p> <p>Note on Zakoura/INMAA Targets: 6-month targets (October 2000 – April 2001 period) TBD.</p> <p>Note on Housing Baseline/Targets: Once the pilot housing credit project in Agadir begins (currently planned to start in 2nd /3rd quarter of 2002), baselines and targets will need to be determined.</p>

**ADDITIONAL COMMENTS**

¹ For housing loans, gender disaggregation is not required, as loans are made primarily for households/families.

² Percentage of clients who repeat loans serves as a proxy measure for client satisfaction.

³ Given the geographical conditions of Morocco, the SO Team does **not** define “peri-urban” as merely distance from an urban area. Rather, “peri-urban” is defined as a site with a certain level of service provision. Thus the SO Team defines “peri-urban” as a rural market center with the following characteristics: being on a main road; having water / electricity / telephone services; having a small level of active commercial services such as several shops / restaurants; having gendarmes and no police department.



B. IR 5.1 RESULTS-LEVEL INDICATORS

Intermediate Result 5.1:

Improved Legal, Administrative, Regulatory and Policy Environment for Private Sector Development

- ❖ *Indicator 5.1a:* Progress in reengineering selected administrative processes
- ❖ *Indicator 5.1b:* Availability and use of tools for applying commercial laws and regulations (*tentative – no indicator reference sheet at present*)
- ❖ *Indicator 5.1c:* Percent of public tenders reflecting international standards (*tentative – no indicator reference sheet at present*)



IR 5.1 PERFORMANCE INDICATOR REFERENCE SHEET	
Strategic Objective: Increased Opportunities for Domestic and Foreign Investment	
Intermediate Result 5.1: Improved legal, administrative, regulatory and policy environment for private sector development	
Indicator 5.1a: Progress in reengineering selected administrative processes.	
DESCRIPTION	
<p>Precise Definition: The selected administrative processes are the land acquisition and registration process and the site development process. Each process passes through three distinct and consecutive phases. Progress toward completing all three phases is scored on a 100-point scale. The three phases are: (a) <i>convene technical group</i> (maximum 20 points); (b) <i>develop action plan</i> (maximum 20 points); and (c) <i>implement process changes</i> (maximum 60 points). Partial scores can be allocated to a given step depending on how much progress has been made towards completing that stage. The details of what constitutes each phase will need to be defined clearly.</p> <p>Unit of Measure: Percentage.</p> <p>Disaggregated by: <i>process</i> (land acquisition and registration process; site development process).</p> <p>Management Utility: This milestone indicator measures progress towards improving the administrative environment for private sector development. Achievement of 100 points is a direct measure of an improved administrative environment in targeted sectors.</p>	
PLAN FOR DATA ACQUISITION BY USAID	
<p>Data Acquisition Method: Report from TSG with verification by USAID.</p> <p>Data Source(s): TSG</p> <p>Timing/Frequency of Data Acquisition: Quarterly reports during 18-month period of TSG activity, due 15 days after the end of each quarter during the calendar year (i.e., no later than January 15, April 15, July 15, and October 15).</p> <p>Responsible Individual(s) at USAID: Kamal Sebti, Economic Growth SO Team.</p>	
PLAN FOR DATA ANALYSIS, REVIEW, & REPORTING	
<p>Data Analysis: Data analyzed and summarized by TSG.</p> <p>Presentation of Data: Updated matrix, accompanied by narrative summary of data presented with explanation/justification.</p> <p>Review of Data: Quarterly review of data by Kamal Sebti with TSG; Annual review by Kamal Sebti & EG SO Team.</p> <p>Reporting of Data: Used for R4, Activity Implementation Reviews (AIRs), Annual R4/Portfolio Review.</p>	
DATA QUALITY ISSUES	
<p>Initial Data Quality Assessment: PricewaterhouseCoopers, November 2000. See Annex IV on Data Quality Assessments for R4 Indicators for more details.</p> <p>Known Data Limitations and Significance (if any):</p> <p>Actions Taken or Planned to Address Data Limitations:</p>	
NOTES ON PERFORMANCE DATA	
<p>Note on Baseline/Targets: Baseline is zero in this case. Targets will need to be verified with TSG once they have a presence on the ground.</p>	



C. IR 5.2 RESULTS-LEVEL INDICATORS

Intermediate Result 5.2:

Strengthened Capacity of Selected Institutions to Foster Private Enterprise

- ❖ *Indicator 5.2a:* Level of institutional capacity of Agadir Commercial Court
- ❖ *Indicator 5.2b:* Level of operational and financial sustainability of USAID-assisted micro-finance intermediaries
- ❖ *Indicator 5.2c:* Revenues of targeted associations from services to members
- ❖ *Indicator 5.2d:* Percent of new technology tenders that reflect industry best practice (*tentative – no indicator reference sheet at present*)



IR 5.2 PERFORMANCE INDICATOR REFERENCE SHEET		
Strategic Objective 5: Increased Opportunities for Domestic and Foreign Investment		
Intermediate Result 5.2: Strengthened capacity of selected institutions to foster private enterprise		
Indicator 5.2a: Level of institutional capacity of Agadir Commercial Court.		
DESCRIPTION		
Precise Definition: Institutional capacity is defined along 4 dimensions: (a) case management; (b) knowledge of judges; (c) financial management; and (d) administrative/operational system. Level of capacity is measured by ranking each dimension along a scale from 1 (low capacity) to 5 (high capacity), within the following broad guidelines:		
1 = Low Capacity	3 = Improving Capacity	5 = High Capacity
Installation of a computerized case management system	Training programs designed and implemented for case management system	Demonstrated use of a computerized case management system
General management training programs for judges implemented	Specialized training programs in commercial law for judges implemented	Demonstrated improvement in judges' knowledge of commercial law
Installation of an IT financial management system	Training programs designed & implemented for financial management system	Demonstrated use of an IT financial management system
Installation of an administrative/operational system	Training programs designed and implemented for improved administrative/operational systems	Demonstrated improvement in administrative/operational systems
Unit of Measure: Ranking along a scale of 1 to 5, measuring capacity (1 = low capacity; 5 = high capacity).		
Disaggregated by: N/A		
Management Utility: Bureaucratic inefficiency and lack of transparency in judicial processes are cited as critical constraints to private-sector expansion in Morocco. Strengthening the capacity level of the Agadir Commercial Court – such as improving judges' knowledge/skill base in order to create better legal decisions – should improve efficiency and transparency and thereby increase private-sector confidence.		
PLAN FOR DATA ACQUISITION BY USAID		
Data Acquisition Method: Independent subject matter expert, hired directly by USAID, uses interviews, observation, documentation review, etc. to gather data and then submits assessment report to U.S. Resident Advisor in Agadir; U.S. Resident Advisor submits report to Kamal Sebti, USAID.		
Data Source(s): Independent expert assessment, coordinated by U.S. Resident Advisor.		
Timing/Frequency of Data Acquisition: Annual report, due one month after the end of the calendar year (i.e., no later than January 31).		
Responsible Individual(s) at USAID: Kamal Sebti, Economic Growth SO Team.		
PLAN FOR DATA ANALYSIS, REVIEW, & REPORTING		
Data Analysis: Data analyzed and summarized by independent subject matter expert.		
Presentation of Data: Data presented in ranking format and narrative explaining methodology & assessment results.		
Review of Data: Annual review of data by Kamal Sebti & EG SO Team.		
Reporting of Data: Used for R4 report, Activity Implementation Reviews (AIRs), Annual R4/Portfolio Review.		
DATA QUALITY ISSUES		
Initial Data Quality Assessment: PricewaterhouseCoopers, November 2000. See Annex IV on Data Quality Assessments for R4 Indicators for more details.		
Known Data Limitations and Significance (if any): Although there are no significant limitations, the expert conducting the baseline assessment should also be asked to develop a refined set of criteria that can be applied to subsequent monitoring.		
Actions Taken or Planned to Address Data Limitations: N/A		
NOTES ON PERFORMANCE DATA		
Note on Baselines/Targets: Baseline capacity level will have to be determined at the start of the activity. For example, baseline levels of judges' knowledge/skills could come from training needs assessments, and then improved judges' knowledge could be measured through post-training evaluations.		



IR 5.2 PERFORMANCE INDICATOR REFERENCE SHEET	
Strategic Objective 5: Increased Opportunities for Domestic and Foreign Investment	
Intermediate Result 5.2: Strengthened capacity of selected institutions to foster private enterprise	
Indicator 5.2b: Level of operational and financial sustainability of USAID-assisted micro-finance intermediaries.	
DESCRIPTION	
<p>Precise Definition: Operational and financial sustainability is measured by: (1) the cost recovery rate of the MFI; and (2) the loan repayment rate of the MFI. (Loan repayment is measured using the loan delinquency concept of "portfolio at risk.")</p> <hr/> <p><u>Cost recovery</u> is calculated as the percentage of MFI total costs recovered through interest income and fees for microloans. The standard formula to use is % costs recovered = [(interest income + fees) / total costs] * 100.</p> <p>Note: Total costs = total operating expenses + "virtual" operating expenses. Please see "Method of Calculation" section below for specific formulas to calculate "virtual" operating expenses.</p> <hr/> <p><u>Portfolio at risk (PAR)</u> must be calculated in 2 ways (with both calculations reported) to measure loan repayment rate:</p> <p>(1) % of portfolio overdue = (outstanding balance of loans with overdue payments / total outstanding balance) * 100; and</p> <p>(2) % of active loan accounts overdue = (# of loans with outstanding balance / # of total loans) * 100.</p> <p>MFI's must also "age" their portfolio at risk calculations by 4 categories: 15 days late; 30 days late; 60 days late; and 90 days late. <i>(Please note that the best-practice standard for determining appropriate time intervals for measuring loan delinquency is to correspond time intervals with the MFI's payment period and loan management process. Thus these time intervals may be changed to be in line with best-practice standards.)</i></p>	
<p>Unit of Measure: Percentage of cost recovery and percentage of portfolio at risk (PAR).</p> <p>Disaggregated by: <i>implementing partner</i> (Fondation Zakoura; INMAA; Al Amana/VITA); for portfolio at risk calculation only: <i>time period of loan delinquency</i> (15 days late; 30 days late; 60 days late; 90 days late).</p> <p>Management Utility: As program delivery costs are increasingly covered by the MFI's cost recovery rate and loan repayment rate, then the MFI increases its level of operational and financial sustainability. Loan repayment rates and cost recovery rates are widely accepted measures of both long-term sustainability and management efficiency of MFIs. Strengthened capacity of targeted MFIs will lead to improved investment opportunities for low-income populations.</p>	
PLAN FOR DATA ACQUISITION BY USAID	
<p>Data Acquisition Method: Implementing partners (Fondation Zakoura, INMAA, Al Amana/VITA) report data from accounting/financial management records and submit reports to Jamal Dadi, USAID.</p> <p>Data Source(s): Implementing partner records.</p> <p>Timing/Frequency of Data Acquisition: Quarterly reports, due 15 days after the end of each quarter during the calendar year (i.e., no later than January 15, April 15, July 15, and October 15).</p> <p>Responsible Individual(s) at USAID: Jamal Dadi, Economic Growth SO Team.</p>	
PLAN FOR DATA ANALYSIS, REVIEW, & REPORTING	
<p>Data Analysis: Data analyzed and summarized by implementing partners.</p> <p>Presentation of Data: Data presented in tables, broken down by cost recovery and loan repayment rates (and formula calculations, with accompanying data).</p> <p>Review of Data: Quarterly review of data by Jamal Dadi & EG SO Team.</p> <p>Reporting of Data: Used for R4 report, Activity Implementation Reviews (AIRs), Annual R4/Portfolio Review.</p>	

**DATA QUALITY ISSUES**

Initial Data Quality Assessment: PricewaterhouseCoopers, November 2000. See Annex IV on Data Quality Assessments for R4 Indicators for more details.

Known Data Limitations and Significance (if any): No significant limitations; the data needed for the calculations is straightforward and easily determined from partner accounting and financial management systems.

Actions Taken or Planned to Address Data Limitations: N/A

NOTES ON PERFORMANCE DATA**Method of Calculation for “Virtual” Operating Expenses:**

Note: **Virtual Operating Expenses** = virtual cost of capital + virtual subsidies for operation.

Virtual Cost of Capital: Because capital requirements for MFIs are subsidized (through donors or through the provision of funds below market rates), there is a need to calculate the “virtual” cost of capital. “Virtual” cost of capital is defined as the interest rate payment that the MFI would pay if it had to obtain funds on the open market from commercial banks. The standard formula to use is **virtual cost of capital** = $[(\text{portfolio size at beginning of quarter} + \text{portfolio size at end of quarter})/2] * [(\text{inter-bank lending rate at beginning of quarter} + \text{inter-bank lending rate at end of quarter})/2]$.

Virtual Subsidies for Operation: “Virtual” operating expenses also include subsidies that the MFI receives from donors, i.e., those donor funds/contributions that pay for staff, office space, and other goods/services that are not captured in traditional operating expense data. These costs should also be captured when calculating total operating expenses.



IR 5.2 PERFORMANCE INDICATOR REFERENCE SHEET	
Strategic Objective 5: Increased Opportunities for Domestic and Foreign Investment	
Intermediate Result 5.2: Strengthened capacity of selected institutions to foster private enterprise	
Indicator 5.2c: Revenues of targeted associations from services to members.	
DESCRIPTION	
<p>Precise Definition: Revenues from services to members refers to revenue from special services (e.g., training and workshops, publications, internet based services, etc) offered to the association's entire membership or segments of its membership and for which a fee is levied. General membership fees cannot be counted. <i>Targeted associations</i> are FIPROMER, APEFEL, and GRIT. <i>Members</i> can be individuals, organizations or associations that are members of the targeted association OR individuals or organizations of member associations of GRIT, FIPROMER, or APEFEL.</p> <p>Unit of Measure: Moroccan Dirhams.</p> <p>Disaggregated by: <i>association</i> (FIPROMER; APEFEL; GRIT)</p> <p>Management Utility: An increase in revenues from services to members is a direct measure of improved capability of the association to offer services that are valued (demonstrated by willingness of members to pay for the service) by its membership.</p>	
PLAN FOR DATA ACQUISITION BY USAID	
<p>Data Acquisition Method: Annual report from U.S. Resident Advisor in Agadir. The Advisor will collect this information from the business associations supported by USAID (APFEL, FIPROMER, GRIT); U.S. Resident Advisor submits report to Kamal Sebti, USAID.</p> <p>Data Source(s): Internal records of APEFEL, FIPROMER, and GRIT.</p> <p>Timing/Frequency of Data Acquisition: Annual report, due one month after the end of the calendar year (i.e., no later than January 31).</p> <p>Responsible Individual(s) at USAID: Kamal Sebti, Economic Growth SO Team.</p>	
PLAN FOR DATA ANALYSIS, REVIEW, & REPORTING	
<p>Data Analysis: Data analyzed and summarized by U.S. Resident Advisor in Agadir.</p> <p>Presentation of Data: Bar or line graphs showing targets and actuals as well as disaggregation as noted above.</p> <p>Review of Data: Annual review of data by Kamal Sebti & EG SO Team; annual review by Kamal Sebti with U.S. Resident Advisor in Agadir and target associations.</p> <p>Reporting of Data: Used for R4 report; Used for Activity Implementation Reviews (AIRs), Annual R4/Portfolio Review.</p>	
DATA QUALITY ISSUES	
<p>Initial Data Quality Assessment: PricewaterhouseCoopers, November 2000. See Annex IV on Data Quality Assessments for R4 Indicators for more details.</p> <p>Known Data Limitations and Significance (if any): APEFEL – initial data quality assessment revealed that revenue from services had had been erroneously included with fee revenue in the baseline data. Not significant because revenues from services was a very small amount.</p> <p>Actions Taken or Planned to Address Data Limitations: Error in APFEL data was corrected.</p>	
NOTES ON PERFORMANCE DATA	
<p>Note on Baselines/Targets: Baseline collected was not for entire CY2000. It is recommended that baseline data be collected in January 2001 and replace data collected in November 2000. Targets will need to be set with partners.</p>	



D. ACTIVITY-LEVEL INDICATORS

Activity level indicators are contained in the agreements and/or workplans agreed between the EG SO Team and each of its partners. The purpose of these indicators is mainly to monitor operational progress on a relatively frequent basis. Depending on the activity, this is either monthly or quarterly. The workplans/agreements for each activity should be consulted for more detail on the specific indicators for each activity.

E. CONTEXT INDICATORS

In addition to results-level and activity-level measures, several context indicators were identified in the PMP development process. The context indicators identified to date are all associated with a specific activity and provide a broader perspective on the context in which the USAID-assisted activity is being implemented. However, as noted previously, these measures cannot and should not be directly attributed to USAID since they are influenced by multiple factors. The context indicators identified to date are as follows:

ACTIVITY	CORRESPONDING CONTEXT INDICATORS
Business Support Associations	<ul style="list-style-type: none">❖ Volume of Exports in targeted (agriculture, fisheries) sectors in Agadir (Source: APEFEL, FIPROMER)❖ Number of new enterprises in targeted (agriculture, fisheries, tourism) sectors in Agadir (Source: APEFEL, FIPROMER, GRIT)❖ Number of tourist arrivals in Agadir (Source: GRIT)❖ Hotel occupancy rate in Agadir (Source: GRIT)
Investor Road Map III	<ul style="list-style-type: none">❖ Financial risk rating for Morocco (Source: International Country Risk Guide)*❖ Amount of land available for private use (Source: TSG)
Ministry of Justice	<i>None at present</i>
Agadir Commercial Court	<i>None at present</i>
Micro-finance Intermediaries	<i>Non at present</i>
General SO 5 Context Indicators	<ul style="list-style-type: none">❖ Political risk rating for Morocco (Source: International Country Risk Guide)*❖ Economic risk rating for Morocco (Source: International Country Risk Guide)*

* The International Country Risk Guide (ICRG) collects political information and financial and economic data and convert these into a numerical risk assessment on the basis of a consistent pattern of evaluation. The system consists of 24 individual risk components (political risk = 13 components, financial risk = 5 components, economic risk = 6 component). Each component is assigned a maximum numerical value (rating) with the highest number of points indicating the lowest potential risk in that risk component and the lowest number of points (0) indicating the highest potential risk. The components within each category of risk are added together to provide a risk rating for each category.

The **political risk** measure is a measure of political instability. The **financial risk** measure is the a measure of the risk to foreign lenders and investors of official actions or attitudes that could have a negative effect on cash flow or asset disposition. The **economic risk** rating is a measure of economic stability and is an objective measure based on actual economic data. These data are available on line for a nominal fee (approximately \$3.00 per data point) at www.countrydata.com



SECTION V. NEXT STEPS

NEXT STEPS	RESPONSIBILITY	COMPLETE BY:
<p><u>PMP roll-out/communication strategy for partners</u></p> <ul style="list-style-type: none"> ❖ Hold “sensitization” activity for all partners to: <ul style="list-style-type: none"> ❖ explain how their activities fit into USAID’s EG strategy; ❖ how the different activities relate to one another; ❖ why USAID must measure and report on progress towards achieving its strategy; ❖ how progress will be measured. ❖ It is very important that USAID be clearly associated with this event when it takes place and that it not be entirely tasked to an external party. ❖ This “sensitization” event should also reinforce the need for partners to work with their main point of contact (i.e., U.S. Resident Advisor, etc.) to collect and report performance data. ❖ Specifically explain revision to result level indicator (5.2c) to business support associations. This is especially important because the three associations agreed to report on a different “version” of the indicator and reviewed and agreed to a written description of that indicator. While the revised indicator 5.2c represents a sub-set of the original indicator, the changes should clearly be communicated and discussed with each association. 	<p>Economic Growth SO Team; U.S. Resident Advisor, Agadir</p>	<p>Before partners are required to submit first round of data (i.e., before January 31, 2001)</p>
<p><u>Ministry of Justice: Commercial Policy Analysis and Support</u></p> <ul style="list-style-type: none"> ❖ Refine parameters for assistance in “mechanism” governing assistance to Ministry of Justice. This involves agreeing upfront, what particular aspects of the commercial code (e.g., alternative dispute resolution, intellectual property rights) will be targets of USAID assistance over the strategy period. The current draft of the mechanism does not specify this and instead makes provision for reform targets to be determined on an annual basis in the annual workplan. This poses a problem in terms of setting a meaningful baseline at the SO level against which progress can be monitored. ❖ Once the activity is fully defined, review the tentative indicators that are proposed in this PMP. If they continue to be appropriate develop indicator reference sheet for each indicator and collect baseline data. 	<p>Brad Wallach / Kamal Sebti</p>	<p>TBD</p>
<p><u>Portfolio Review Requirement</u></p> <ul style="list-style-type: none"> ❖ Improve current Activity Implementation Reviews and R4 reviews so that <i>together</i> they meet the Agency’s mandatory requirement for an annual portfolio review. This would be the most appropriate way to meet the new requirement since some of the requirements are already being met through the existing process. Guidance on this can be sought in Section III C of this PMP as well as in the ADS 203.3.3. There are two aspects to the improvements. ❖ Ensure that at least the minimum requirements set out in 	<p>Economic Growth SO Team; Program Office</p>	<p>January 31, 2001</p>



NEXT STEPS	RESPONSIBILITY	COMPLETE BY:
<p>ADS 203.3.3 are met through either the AIR or the R4 review process.</p> <ul style="list-style-type: none"> ❖ Improve the <i>process</i> by which both the AIR (operational review) and R4 review (strategic review) are conducted by creating a forum for dialogue on key operational and strategic questions within the core SO team, and with partners. 		
<p><u>Baselines and Targets</u></p> <ul style="list-style-type: none"> ❖ Collect or update baseline data for the following indicators. ❖ 5 (a) – litigation process only ❖ 5.2(b) ❖ 5.2(c) - update ❖ After baseline data is set, finalize performance targets <i>in consultation</i> with partners. 	Economic Growth SO Team	January 31, 2001
<p><u>Modifications to R4 Indicators</u></p> <ul style="list-style-type: none"> ❖ Explain modifications to R4 indicators in FY 2003 R4 report ❖ Within R4 narrative, report on indicators listed in Section III.D and briefly describe why changes were made. Refer to Annex II for text that can be used in the justification. 	Economic Growth SO Team	March 31, 2001
<p><u>Indicators for New Activities</u></p> <ul style="list-style-type: none"> ❖ Develop additional indicators – if necessary – for new activities in Limited Scope Grant Agreement ❖ Once new activities are designed and implementing partners selected, review Results Framework and existing indicators to determine whether additional indicators are warranted 	Economic Growth SO Team	N/A – as required
<p><u>Micro-finance Intermediaries</u></p> <ul style="list-style-type: none"> ❖ Communicate details of MFI indicators and agree on common calculation formulas with Fondation Zakoura, INMAA, and VITA/AI Amana. In particular: ❖ Ensure common understanding of standardized formulas used for calculation of portfolio at risk, “virtual” costs of capital, etc. ❖ Discuss and agree on the definition of “peri-urban” sites allowed under USAID-assisted loans 	Jamal Dadi	January 31, 2001
<p><u>Share PMP with Partners</u></p> <ul style="list-style-type: none"> ❖ Translate PMP into French and distribute to partners if appropriate. ❖ At a minimum, draw partners’ attention specifically to the Data Submission Sheets for Partners that describe for each partner, their data collection responsibilities, what data are required, how it should be disaggregated, what supporting information should be submitted, etc. 	Economic Growth SO Team	December 31, 2000



SECTION VI. ANNEXES

ANNEX I. DATA SUBMISSION FORM FOR PARTNERS

The forms in the following pages should be given to the relevant partners to guide them in collecting data for each of the results-level indicators. Each form culls the relevant information from the corresponding indicator reference sheet and presents it in a format for partners. These forms are thus the partner counterparts of the indicator reference sheets (which serve as reference sheets for the EG team)

This was done to simplify data collection for the EG team and so that individual partners would be clear about what data they had to collect. These forms should be sent to the relevant partners so that the partners can then submit data when required.

Data submission forms have only been developed for results-level indicators that have been finalized thus far. As the indicators currently termed “tentative” are finalized and if new indicators are added, additional partner data submission forms should be developed.

NOTE: Activity-level data – which has been agreed upon with USAID in either workplans or agreements – can be submitted in formats agreed upon for each organization. A similar approach can be adopted for context indicators.

**A. FORMS FOR BUSINESS SUPPORT ASSOCIATIONS**

PERFORMANCE DATA FOR USAID/MOROCCO (Fill out the top portion of this form and submit with performance data)	
Organizational Contact Information	
Submitted by: GRIT	Date:
Individual that USAID can contact with any questions:	
Telephone:	
General Information on Data to be Submitted	
Performance Indicator: Total revenues from services offered by GRIT to its members	
Definition of Indicator: : Revenues from services to members refers to revenue from special services (e.g., training and workshops, publications, internet based services, etc) offered to the association's entire membership or segments of its membership and for which a fee is levied. General membership fees should NOT be counted.	
Unit of Measurement: Moroccan Dirhams	
Period of Coverage: Annual revenues from services earned between January 1 – December 31 of preceding year	
Data Submission to USAID: By January 31 of each year	
Activity Name: Business support associations	
Usefulness: Increase in revenues from special services indicates improved capability of GRIT to provide services to membership that are valued by its members. The extent to which members value the service is demonstrated by their willingness to pay for the service	
Other: Data submitted should be supporting information (e.g., rate levied per member for the specific service)	
Data Analysis	
Specific Disaggregation of Data: Disaggregate by: ❖ Service (e.g., Training course 1; Training course 2; publication 1; etc)	
Narrative Description of Performance During This Period: [Provide a short analysis of the year in review and discuss any particular factors affecting the result that you wish to highlight]	
Comments / Recommendations for General Improvement of USAID Activity Management: [Optional section; not required]	



Other performance data to be submitted by GRIT

ACTIVITY INDICATORS

- # of tourism sector problems/issues resolved by GRIT each month relative to target with commentary on why/why not achieved.

Others to be determined with USAID

CONTEXT INDICATORS (submit annually)

- # of tourist arrival in Agadir
- Hotel room capacity utilization in Agadir
- # of new enterprises in tourism sector in Agadir

Others to be determined with USAID



PERFORMANCE DATA FOR USAID/MOROCCO (Fill out top portion of this form and submit with data)	
Organizational Contact Information	
Submitted by: FIPROMER	Date:
Individual that USAID can contact with any questions:	
Telephone:	
General Information on Data to be Submitted	
Performance Indicator: Total revenues from services offered by FIPROMER to its members Definition of Indicator: : Revenues from services to members refers to revenue from special services (e.g., training and workshops, publications, internet based services, etc) offered to the association's entire membership or segments of its membership and for which a fee is levied. General membership fees should NOT be counted. Unit of Measurement: Moroccan Dirhams Period of Coverage: Annual revenues from services earned between January 1 – December 31 of preceding year Data Submission to USAID: By January 31 of each year Activity Name: Business support associations Usefulness: Increase in revenues from special services indicates improved capability of FIPROMER to provide services to membership that are valued by its members. The extent to which members value the service is demonstrated by their willingness to pay for the service Other: Data submitted should be supporting information (e.g., rate levied per member for the specific service)	
Data Analysis	
Specific Disaggregation of Data: Disaggregate by: ❖ Service (e.g., Training course 1; Training course 2; publication 1; etc)	
Narrative Description of Performance During This Period: [Provide a short analysis of the year in review and discuss any particular factors affecting the result that you wish to highlight]	
Comments / Recommendations for General Improvement of USAID Activity Management: [Optional section; not required]	



Other Data to be Submitted by FIPROMER

Activity Indicators

- Number of members who have paid fees for the year disaggregated by associations and individuals
- Fee rate for individuals for the year

Additional activity indicators will be added in discussion with USAID

Context Indicators (submit annually)

- Gross fisheries export tonnage from Agadir per year per group
- Number of new enterprises in fisheries sector in Agadir



PERFORMANCE DATA FOR USAID/MOROCCO (Fill out top portion of this form and submit with data)	
Organizational Contact Information	
Submitted by: APEFEL	Date:
Individual that USAID can contact with any questions:	
Telephone:	
General Information on Data to be Submitted	
Performance Indicator: Total revenues from services offered by APEFEL to its members	
Definition of Indicator: : Revenues from services to members refers to revenue from special services (e.g., training and workshops, publications, internet based services, etc) offered to the association's entire membership or segments of its membership and for which a fee is levied. General membership fees should NOT be counted.	
Unit of Measurement: Moroccan Dirhams	
Period of Coverage: Annual revenues from services earned between January 1 – December 31 of preceding year	
Data Submission to USAID: By January 31 of each year	
Activity Name: Business support associations	
Usefulness: Increase in revenues from special services indicates improved capability of APEFEL to provide services to membership that are valued by its members. The extent to which members value the service is demonstrated by their willingness to pay for the service	
Other: Data submitted should be supporting information (e.g., rate levied per member for the specific service)	
Data Analysis	
Specific Disaggregation of Data: Disaggregate by: ❖ Service (e.g., Training course 1; Training course 2; publication 1; etc)	
Narrative Description of Performance During This Period: [Provide a short analysis of the year in review and discuss any particular factors affecting the result that you wish to highlight]	
Comments / Recommendations for General Improvement of USAID Activity Management: [Optional section; not required]	



Other Data to be Submitted by APEFEL

Activity Indicators

- Number of members who have paid fees for the year disaggregated by groups and individuals
- Fee rate for individuals for the year
- Annual expected fees per group based on export tonnage
- Actual annual fees paid by each group

Additional activity indicators will be added in discussion with USAID

Context Indicators (submit annually)

- Gross agricultural export tonnage from Agadir per year per group
- Number of new enterprises in agricultural sector in Agadir



B. FORMS FOR MICROFINANCE INTERMEDIARIES

PERFORMANCE DATA FOR USAID/MOROCCO	
(Fill out top portion of this form and submit with performance data)	
Organizational Contact Information	
Submitted by: Fondation Zakoura	Date:
Individual that USAID can contact with any questions:	
Telephone:	
General Information on Data to be Submitted	
<p>Performance Indicator: Total number of micro-loans made by Fondation Zakoura</p> <p>Definition of Indicator: Total number of micro-loans made during the period reported</p> <p>Unit of Measurement: Number of micro-loans</p> <p>Period of Coverage: Quarterly periods during calendar year</p> <p>Data Submission to USAID: No later than 15 days after the end of each quarter during the calendar year (i.e., no later than January 15, April 15, July 15, and October 15 every year)</p> <p>Activity Name: Microfinance lending activity</p> <p>Usefulness: Micro-finance loans are expected to generate additional income for clients and related households; these loans mobilize and leverage investment capital for low-income populations. The volume of loans therefore indicates increased opportunities for domestic investment. The indicator also measures the volume of loans after USAID assistance ends, and MFIs become operationally/financially self-sustaining.</p>	
Data Analysis	
<p>Specific Disaggregation of Data: Disaggregate by:</p> <ul style="list-style-type: none"> ❖ gender of loan recipients (male; female) ❖ percentage of clients who repeat loans (calculated as number of clients who renewed loans in each quarter divided by total number of clients in each quarter) ❖ loan category (housing; rural; peri-urban¹; urban) <p>¹ Given the geographical conditions of Morocco, the SO Team does <i>not</i> define “peri-urban” as merely distance from an urban area. Rather, “peri-urban” is defined as a site with a certain level of service provision. Thus the SO Team defines “peri-urban” as a rural market center with the following characteristics: being on a main road; having water / electricity / telephone services; having a small level of active commercial services such as several shops / restaurants; having gendarmes and no police department.</p>	
<p>Narrative Description of Performance During This Period: [Provide a short analysis of the year in review and discuss any particular factors affecting the result that you wish to highlight]</p>	
<p>Comments / Recommendations for General Improvement of USAID Activity Management: [Optional section; not required]</p>	



PERFORMANCE DATA FOR USAID/MOROCCO (Fill out top portion of this form and submit with data)	
Organizational Contact Information	
Submitted by: INMAA	Date:
Individual that USAID can contact with any questions:	
Telephone:	
General Information on Data to be Submitted	
Performance Indicator: Total number of micro-loans made by INMAA Definition of Indicator: Total number of micro-loans made during the period reported Unit of Measurement: Number of micro-loans Period of Coverage: Quarterly periods during calendar year Data Submission to USAID: No later than 15 days after the end of each quarter during the calendar year (i.e., no later than January 15, April 15, July 15, and October 15 every year) Activity Name: Microfinance lending activity Usefulness: Micro-finance loans are expected to generate additional income for clients and related households; these loans mobilize and leverage investment capital for low-income populations. The volume of loans therefore indicates increased opportunities for domestic investment. The indicator also measures the volume of loans after USAID assistance ends, and MFIs become operationally/financially self-sustaining.	
Data Analysis	
Specific Disaggregation of Data: Disaggregate by: <ul style="list-style-type: none"> ❖ gender of loan recipients (male; female) ❖ percentage of clients who repeat loans (calculated as number of clients who renewed loans in each quarter divided by total number of clients in each quarter) ❖ loan category (housing; rural; peri-urban¹; urban) <p>¹ Given the geographical conditions of Morocco, the SO Team does <i>not</i> define "peri-urban" as merely distance from an urban area. Rather, "peri-urban" is defined as a site with a certain level of service provision. Thus the SO Team defines "peri-urban" as a rural market center with the following characteristics: being on a main road; having water / electricity / telephone services; having a small level of active commercial services such as several shops / restaurants; having gendarmes and no police department.</p>	
Narrative Description of Performance During This Period: [Provide a short analysis of the year in review and discuss any particular factors affecting the result that you wish to highlight]	
Comments / Recommendations for General Improvement of USAID Activity Management: [Optional section; not required]	



PERFORMANCE DATA FOR USAID/MOROCCO (Fill out top portion of this form and submit with data)	
Organizational Contact Information	
Submitted by: Al Amana/VITA	Date:
Individual that USAID can contact with any questions:	
Telephone:	
General Information on Data to be Submitted	
Performance Indicator: Total number of micro-loans made by Al Amana	
Definition of Indicator: Total number of micro-loans made during the period reported	
Unit of Measurement: Number of micro-loans	
Period of Coverage: Quarterly periods during calendar year	
Data Submission to USAID: No later than 15 days after the end of each quarter during the calendar year (i.e., no later than January 15, April 15, July 15, and October 15 every year)	
Activity Name: Microfinance lending activity	
Usefulness: Micro-finance loans are expected to generate additional income for clients and related households; these loans mobilize and leverage investment capital for low-income populations. The volume of loans therefore indicates increased opportunities for domestic investment. The indicator also measures the volume of loans after USAID assistance ends, and MFIs become operationally/financially self-sustaining.	
Data Analysis	
Specific Disaggregation of Data: Disaggregate by: <ul style="list-style-type: none">❖ gender of loan recipients (male; female)❖ percentage of clients who repeat loans (calculated as number of clients who renewed loans in each quarter divided by total number of clients in each quarter)❖ loan category (housing; rural; peri-urban¹; urban)	
¹ Given the geographical conditions of Morocco, the SO Team does <i>not</i> define "peri-urban" as merely distance from an urban area. Rather, "peri-urban" is defined as a site with a certain level of service provision. Thus the SO Team defines "peri-urban" as a rural market center with the following characteristics: being on a main road; having water / electricity / telephone services; having a small level of active commercial services such as several shops / restaurants; having gendarmes and no police department.	
Narrative Description of Performance During This Period: [Provide a short analysis of the year in review and discuss any particular factors affecting the result that you wish to highlight]	
Comments / Recommendations for General Improvement of USAID Activity Management: [Optional section; not required]	



PERFORMANCE DATA FOR USAID/MOROCCO (Fill out top portion of this form and submit with data)	
Organizational Contact Information	
Submitted by: Fondation Zakoura	Date:
Individual that USAID can contact with any questions:	
Telephone:	
General Information on Data to be Submitted	
<p>Performance Indicator: Level of operational and financial sustainability of Fondation Zakoura</p> <p>Definition of Indicator: Operational and financial sustainability is measured by: (1) the cost recovery rate of the MFI; and (2) the loan repayment rate of the MFI. (Loan repayment is determined using the international banking standards for measuring loan delinquency, which is "portfolio at risk.")</p> <hr/> <p><u>Cost recovery</u> is calculated as the percentage of MFI total costs recovered through interest income and fees for microloans. The standard formula to use is % costs recovered = [(interest income + fees) / total costs] * 100.</p> <p>Note: Total costs = total operating expenses + "virtual" operating expenses. Please see "Method of Calculation" section below for specific formulas to calculate "virtual" operating expenses.</p> <hr/> <p><u>Portfolio at risk (PAR)</u> must be calculated in 2 ways (with both calculations reported) to measure loan repayment rate:</p> <p>(1) % of portfolio overdue = (outstanding balance of loans with overdue payments / total outstanding balance) * 100; and</p> <p>(2) % of active loan accounts overdue = (# of loans with outstanding balance / # of total loans) * 100.</p> <p><i>MFIs must also "age" their portfolio at risk calculations by 4 categories: 15 days late; 30 days late; 60 days late; and 90 days late. (Please note that the best-practice standard for determining appropriate time intervals for measuring loan delinquency is to correspond time intervals with the MFI's payment period and loan management process. Thus these time intervals may be changed to be in line with best-practice standards.)</i></p> <hr/> <p>Unit of Measurement: Percentage of cost recovery and percentage of portfolio at risk (PAR).</p> <p>Period of Coverage: Quarterly periods during calendar year</p> <p>Data Submission to USAID: No later than 15 days after the end of each quarter during the calendar year (i.e., no later than January 15, April 15, July 15, and October 15 every year)</p> <p>Activity Name: Microfinance lending activity</p> <p>Usefulness: As program delivery costs are increasingly covered by the MFI's cost recovery rate and loan repayment rate, then the MFI increases its level of operational and financial sustainability. Loan repayment rates and cost recovery rates are widely accepted measures of both long-term sustainability and management efficiency of MFIs. Strengthened capacity of targeted MFIs will lead to improved investment opportunities for low-income populations.</p>	
Data Analysis	
<p>Specific Disaggregation of Data: Disaggregate by:</p> <ul style="list-style-type: none"> ❖ <i>for portfolio at risk calculation only:</i> time period of loan delinquency (15 days late; 30 days late; 60 days late; 90 days late) 	

**Method of Calculation for "Virtual" Operating Expenses:**

Note: **Virtual Operating Expenses** = virtual cost of capital + virtual subsidies for operation.

Virtual Cost of Capital: Because capital requirements for MFIs are subsidized (through donors or through the provision of funds below market rates), there is a need to calculate the "virtual" cost of capital. "Virtual" cost of capital is defined as the interest rate payment that the MFI would pay if it had to obtain funds on the open market from commercial banks. The standard formula to use is **virtual cost of capital = [(portfolio size at beginning of quarter + portfolio size at end of quarter)/2] * [(inter-bank lending rate at beginning of quarter + inter-bank lending rate at end of quarter)/2]**.

Virtual Subsidies for Operation: "Virtual" operating expenses also include subsidies that the MFI receives from donors, i.e., those donor funds/contributions that pay for staff, office space, and other goods/services that are not captured in traditional operating expense data. These costs should also be captured when calculating total operating expenses.

Narrative Description of Performance During This Period: [Provide a short analysis of the year in review and discuss any particular factors affecting the result that you wish to highlight]

Comments / Recommendations for General Improvement of USAID Activity Management:
[Optional section; not required]



PERFORMANCE DATA FOR USAID/MOROCCO	
(Fill out top portion of this form and submit with data)	
Organizational Contact Information	
Submitted by: INMAA	Date:
Individual that USAID can contact with any questions:	
Telephone:	
General Information on Data to be Submitted	
<p>Performance Indicator: Level of operational and financial sustainability of INMAA</p> <p>Definition of Indicator: Operational and financial sustainability is measured by: (1) the cost recovery rate of the MFI; and (2) the loan repayment rate of the MFI. (Loan repayment is determined using the international banking standards for measuring loan delinquency, which is "portfolio at risk.")</p> <hr/> <p><u>Cost recovery</u> is calculated as the percentage of MFI total costs recovered through interest income and fees for microloans. The standard formula to use is % costs recovered = [(interest income + fees) / total costs] * 100.</p> <p>Note: Total costs = total operating expenses + "virtual" operating expenses. Please see "Method of Calculation" section below for specific formulas to calculate "virtual" operating expenses.</p> <hr/> <p><u>Portfolio at risk (PAR)</u> must be calculated in 2 ways (with both calculations reported) to measure loan repayment rate:</p> <p>(1) % of portfolio overdue = (outstanding balance of loans with overdue payments / total outstanding balance) * 100; and</p> <p>(2) % of active loan accounts overdue = (# of loans with outstanding balance / # of total loans) * 100.</p> <p><i>MFIs must also "age" their portfolio at risk calculations by 4 categories: 15 days late; 30 days late; 60 days late; and 90 days late. (Please note that the best-practice standard for determining appropriate time intervals for measuring loan delinquency is to correspond time intervals with the MFI's payment period and loan management process. Thus these time intervals may be changed to be in line with best-practice standards.)</i></p> <hr/> <p>Unit of Measurement: Percentage of cost recovery and percentage of portfolio at risk (PAR).</p> <p>Period of Coverage: Quarterly periods during calendar year</p> <p>Data Submission to USAID: No later than 15 days after the end of each quarter during the calendar year (i.e., no later than January 15, April 15, July 15, and October 15 every year)</p> <p>Activity Name: Microfinance lending activity</p> <p>Usefulness: As program delivery costs are increasingly covered by the MFI's cost recovery rate and loan repayment rate, then the MFI increases its level of operational and financial sustainability. Loan repayment rates and cost recovery rates are widely accepted measures of both long-term sustainability and management efficiency of MFIs. Strengthened capacity of targeted MFIs will lead to improved investment opportunities for low-income populations.</p>	
Data Analysis	
<p>Specific Disaggregation of Data: Disaggregate by:</p> <ul style="list-style-type: none"> ❖ <i>for portfolio at risk calculation only:</i> time period of loan delinquency (15 days late; 30 days late; 60 days late; 90 days late) 	

**Method of Calculation for "Virtual" Operating Expenses:**

Note: **Virtual Operating Expenses** = virtual cost of capital + virtual subsidies for operation.

Virtual Cost of Capital: Because capital requirements for MFIs are subsidized (through donors or through the provision of funds below market rates), there is a need to calculate the "virtual" cost of capital. "Virtual" cost of capital is defined as the interest rate payment that the MFI would pay if it had to obtain funds on the open market from commercial banks. The standard formula to use is **virtual cost of capital = [(portfolio size at beginning of quarter + portfolio size at end of quarter)/2] * [(inter-bank lending rate at beginning of quarter + inter-bank lending rate at end of quarter)/2]**.

Virtual Subsidies for Operation: "Virtual" operating expenses also include subsidies that the MFI receives from donors, i.e., those donor funds/contributions that pay for staff, office space, and other goods/services that are not captured in traditional operating expense data. These costs should also be captured when calculating total operating expenses.

Narrative Description of Performance During This Period: [Provide a short analysis of the year in review and discuss any particular factors affecting the result that you wish to highlight]

Comments / Recommendations for General Improvement of USAID Activity Management:
[Optional section; not required]



PERFORMANCE DATA FOR USAID/MOROCCO	
(Fill out top portion of this form and submit with data)	
Organizational Contact Information	
Submitted by: Al Amana/VITA	Date:
Individual that USAID can contact with any questions:	
Telephone:	
General Information on Data to be Submitted	
<p>Performance Indicator: Level of operational and financial sustainability of Al Amana</p> <p>Definition of Indicator: Operational and financial sustainability is measured by: (1) the cost recovery rate of the MFI; and (2) the loan repayment rate of the MFI. (Loan repayment is determined using the international banking standards for measuring loan delinquency, which is "portfolio at risk.")</p> <hr/> <p><u>Cost recovery</u> is calculated as the percentage of MFI total costs recovered through interest income and fees for microloans. The standard formula to use is % costs recovered = [(interest income + fees) / total costs] * 100.</p> <p>Note: Total costs = total operating expenses + "virtual" operating expenses. Please see "Method of Calculation" section below for specific formulas to calculate "virtual" operating expenses.</p> <hr/> <p><u>Portfolio at risk (PAR)</u> must be calculated in 2 ways (with both calculations reported) to measure loan repayment rate:</p> <p>(1) % of portfolio overdue = (outstanding balance of loans with overdue payments / total outstanding balance) * 100; and</p> <p>(2) % of active loan accounts overdue = (# of loans with outstanding balance / # of total loans) * 100.</p> <p><i>MFIs must also "age" their portfolio at risk calculations by 4 categories: 15 days late; 30 days late; 60 days late; and 90 days late. (Please note that the best-practice standard for determining appropriate time intervals for measuring loan delinquency is to correspond time intervals with the MFI's payment period and loan management process. Thus these time intervals may be changed to be in line with best-practice standards.)</i></p> <hr/> <p>Unit of Measurement: Percentage of cost recovery and percentage of portfolio at risk (PAR).</p> <p>Period of Coverage: Quarterly periods during calendar year</p> <p>Data Submission to USAID: No later than 15 days after the end of each quarter during the calendar year (i.e., no later than January 15, April 15, July 15, and October 15 every year)</p> <p>Activity Name: Microfinance lending activity</p> <p>Usefulness: As program delivery costs are increasingly covered by the MFI's cost recovery rate and loan repayment rate, then the MFI increases its level of operational and financial sustainability. Loan repayment rates and cost recovery rates are widely accepted measures of both long-term sustainability and management efficiency of MFIs. Strengthened capacity of targeted MFIs will lead to improved investment opportunities for low-income populations.</p>	
Data Analysis	
<p>Specific Disaggregation of Data: Disaggregate by:</p> <ul style="list-style-type: none"> ❖ <i>for portfolio at risk calculation only:</i> time period of loan delinquency (15 days late; 30 days late; 60 days late; 90 days late) 	

**Method of Calculation for "Virtual" Operating Expenses:**

Note: **Virtual Operating Expenses** = virtual cost of capital + virtual subsidies for operation.

Virtual Cost of Capital: Because capital requirements for MFIs are subsidized (through donors or through the provision of funds below market rates), there is a need to calculate the "virtual" cost of capital. "Virtual" cost of capital is defined as the interest rate payment that the MFI would pay if it had to obtain funds on the open market from commercial banks. The standard formula to use is **virtual cost of capital = [(portfolio size at beginning of quarter + portfolio size at end of quarter)/2] * [(inter-bank lending rate at beginning of quarter + inter-bank lending rate at end of quarter)/2]**.

Virtual Subsidies for Operation: "Virtual" operating expenses also include subsidies that the MFI receives from donors, i.e., those donor funds/contributions that pay for staff, office space, and other goods/services that are not captured in traditional operating expense data. These costs should also be captured when calculating total operating expenses.

Narrative Description of Performance During This Period: [Provide a short analysis of the year in review and discuss any particular factors affecting the result that you wish to highlight]

Comments / Recommendations for General Improvement of USAID Activity Management:
[Optional section; not required]



C. FORMS FOR TSG & INDEPENDENT CONSULTANTS

PERFORMANCE DATA FOR USAID/MOROCCO (Fill out top portion of this form and submit with data)		
Organizational Contact Information		
Submitted by: Independent consultant (TBD)		Date:
Individual that USAID can contact with any questions:		
Telephone:		
General Information on Data to be Submitted		
Performance Indicator: Level of institutional capacity of Agadir Commercial Court		
Definition of Indicator: Institutional capacity is defined along 4 dimensions. For each dimension, an assessment must be made along the ranking scale (1 = low capacity; 5 = high capacity), within the following broad guidelines:		
1 = Low Capacity	3 = Improving Capacity	5 = High Capacity
Installation of a computerized case management system	Training programs designed and implemented for case management system	Demonstrated use of a computerized case management system
General management training programs for judges implemented	Specialized training programs in commercial law for judges implemented	Demonstrated improvement in judges' knowledge of commercial law
Installation of an IT financial management system	Training programs designed and implemented for financial management system	Demonstrated use of an IT financial management system
Installation of an administrative/operational system	Training programs designed and implemented for improved administrative/operational systems	Demonstrated improvement in administrative/operational systems
Unit of Measurement: Ranking along a scale of 1 to 5, measuring capacity (1 = low capacity; 5 = high capacity)		
Period of Coverage: Annual (January 31 – December 31)		
Data Submission to USAID: No later than one month after the end of the calendar year (i.e., no later than January 31)		
Activity Name: Strengthening of Agadir Commercial Court		
Usefulness: Bureaucratic inefficiency and lack of transparency in judicial processes are cited as critical constraints to private-sector expansion in Morocco. Strengthening the capacity level of the Agadir Commercial Court – such as improving judges' knowledge/skill base in order to create better legal decisions – should improve efficiency and transparency and thereby increase private-sector confidence.		
Other: Baseline capacity level will have to be determined at the start of the activity. For example, baseline levels of judges' knowledge/skills could come from training needs assessments, and then improved judges' knowledge could be measured through post-training evaluations. The expert conducting the baseline assessment should also be asked to develop a refined set of criteria that can be applied to subsequent monitoring.		
Data Analysis		
Specific Disaggregation of Data: N/A		
Narrative Description of Performance During This Period: [Provide a short analysis of the year in review and discuss any particular factors affecting the result that you wish to highlight]		
Comments / Recommendations for General Improvement of USAID Activity Management: [Optional section; not required]		



PERFORMANCE DATA FOR USAID/MOROCCO (Fill out top portion of this form and submit with data)	
Organizational Contact Information	
Submitted by: Independent Consultant (TBD)	Date:
Individual that USAID can contact with any questions:	
Telephone:	
General Information on Data to be Submitted	
Performance Indicator: Time needed to complete selected business processes (LITIGATION PROCESS)	
Definition of Indicator: Time to complete a business process is the average number of days it takes from the time a request for service is initiated to when the action is completed. The selected business process is the commercial litigation process in the Agadir Commercial Court	
Unit of Measurement: Average number of months	
Period of Coverage: N/A	
Data Submission to USAID: By January 31 of 2002 and by January 2004 (end of EG strategy period).	
Activity Name: Strengthen Agadir Commercial Court	
Usefulness: Time to complete the commercial litigation has been cited as a major impediment to investment in Morocco. Reduction of the time to complete this process will be direct evidence of an improved environment for domestic and foreign investment.	
Other: Data submitted should be accompanied by a description of the methodology used to collect the data. Efforts should be made to ensure that data are representative by using appropriate sampling techniques.	
Data Analysis	
Specific Disaggregation of Data: Disaggregate by: ❖ Stages in litigation process. Tentative stages (to be refined if necessary) are: Stages involved in the litigation process (average number of days to complete each stage) Stage (1): "Case Filing": Time from when litigant requests a hearing to when judge contacts the notifying clerk; Stage (2): "Notification": Time from when judge contacts the notifying clerk to when the clerk notifies the parties; Stage (3): "First Hearing": Time from when parties are notified to when First Hearing is held; Stage (4): "Deliberation": Time from when First Hearing is held to when Final Hearing is held; this includes the time for judge(s) to deliberate and/or hold more hearings (includes time for reporter investigation, if applicable); Stage (5): "Issuance of Final Judgment": Time from when Final Hearing is held to when judge issues Final Decision; Stage (6): "Winner Notification": Time from when Final Decision is issued to when court notifies winner; Stage (7): "Loser Notification": Time from when winner is notified to when loser is notified of final judgment.	
Narrative Description of Performance During This Period: [Provide a short analysis of the year in review and discuss any particular factors affecting the result that you wish to highlight]	
Comments / Recommendations for General Improvement of USAID Activity Management: [Optional section; not required]	



PERFORMANCE DATA FOR USAID/MOROCCO (Fill out top portion of this form and submit with data)	
Organizational Contact Information	
Submitted by: The Services Group (TSG)	Date:
Individual that USAID can contact with any questions:	
Telephone:	
General Information on Data to be Submitted	
<p>Performance Indicator: Time needed to complete selected business processes (LAND ACQUISITION & REGISTRATION PROCESS: SITE DEVELOPMENT PROCESS)</p> <p>Definition of Indicator: Time to complete a business process is the average number of months it takes from the time a request for service is initiated to when the action is completed. The selected business processes are: land acquisition and registration process in Agadir; Site development process in Agadir.</p> <p>Unit of Measurement: Average number of months</p> <p>Period of Coverage: N/A</p> <p>Data Submission to USAID: By January 31 of 2002 (or as agreed with USAID at end of TSG contract); Data should also be collected again by USAID at the end of the EG strategy period.</p> <p>Activity Name: Investor Road Map III</p> <p>Usefulness: Time to complete the land allocation process and the site development process has been sited as a major impediment to investment in Morocco. Reduction of the time to complete these processes will be direct evidence of an improved environment for domestic and foreign investment.</p> <p>Other: Data submitted should be accompanied by a description of the methodology used to collect the data. Efforts should be made to ensure that data are representative.</p>	



Data Analysis	
Specific Disaggregation of Data: Disaggregate by: <ul style="list-style-type: none"> ❖ Process (land acquisition & registration; Site development) ❖ Stages in each process. The tentative stages are: 	
Land Acquisition and registration Process	
Stage (1A):	Optional: "Local Authorities Approval": Time from when investor submits application to acquire land to when all approvals are granted (When land is purchased from the local authorities)
Stage (1A):	Optional/Alternate: "Approval by Directorate of State Lands": Time from when the investor's project passes to the local Directorate of State Lands to when the Directorate approves the application. (When land is purchased from Directorate of State Lands)
Stage (1B):	Optional: "Negotiation with Technical Commission": Time from when Seller authorizes sale and it passes on to technical commission to when the plan for sale is authorized in principle by the Commission (When the land is subject to Technical Authorization. E.g., coastal lands, reposessed agricultural lands, etc.)
Stage (2)	Optional: "Determination of price by local authorities": Time from when all sales and technical approvals in principle are obtained from above authorities in Stages 1A and, when applicable 1B, and the price of sale is set by the local authorities selling the land. (When land is purchased from the local authorities)
Stage (3)	Mandatory: "Preparation of decree of sale": Time from when Commission authorizes sale to when Directorate of State Lands sends the decree of sale to the Prime Minister for signature.
Stage (4)	Optional "Prime ministers signature": Time from when the decree of sale is sent to the Prime Minister to when the decree with the Prime Minister's signature is received by the investor (When the land is purchased from the Directorate of State Lands)
Stage (5)	Optional: "Notification of Sale by the Directorate of State Lands": Time from when the PM signs the approval of the sale and the investor is notified of final approval (When the land is purchased from the Director of State Lands)
Stage (6)	Mandatory: "Land registration": Time from when Prime Minister's signature is received to when a copy of the title with new inscription is issued.
Stages involved in the site development process This is a generic process for site development. The stages should be verified with TSG once they have a presence on the ground and begin implementing activity.	
Stage (1):	Optional: "Secure construction permit": Time from when an application for a construction permit is filed to when the permit is issued. (when development is required)
Stage (2):	Optional: "Secure Certificate of End of Development Works" Time from when(When development is required)
Stage (3):	Optional: "Secure subdivision permit" Time from when.....(When subdivision is required)
Stage (4):	Optional: "Secure Certificate of End of Subdivision Works" Time from when.....(When subdivision is required)
Stage (5)	Mandatory: "Secure Certificate of Good State of Roads and Utility Grids" Time from when
Stage (6)	Mandatory: "Secure construction permit".Time from when an application for a construction permit is filed to when the permit is issued.
Stage (2):	Optional: "Secure electricity connection": Time from when an application for electricity connection is file to when " (when connection is desired)
Stage (3):	Optional: "Secure water connection": Time from when(when connection is desired)
Stage (4):	Optional: "Secure telephone connection": Time from when(when connection is desired)
Narrative Description of Performance During This Period: [Provide a short analysis of the year in review and discuss any particular factors affecting the result that you wish to highlight]	
Comments / Recommendations for General Improvement of USAID Activity Management: [Optional section; not required]	



PERFORMANCE DATA FOR USAID/MOROCCO (Fill out top portion of this form and submit with data)	
Organizational Contact Information	
Submitted by: The Services Group (TSG)	Date:
Individual that USAID can contact with any questions:	
Telephone:	
General Information on Data to be Submitted	
<p>Performance Indicator: Progress in reengineering selected administrative processes</p> <p>Definition of Indicator: The selected administrative processes are the land acquisition and registration process and the site development process. Each process passes through three distinct and consecutive phases. Progress toward completing all three phases is scored on a 100-point scale. The three phases are: (a) convene technical group (maximum 20 points); (b) develop action plan (maximum 20 points); and (c) implement process changes (maximum 60 points). Partial scores can be allocated to a given step depending on how much progress has been made towards completing that stage. The details of "what" constitutes each phase will need to be defined clearly so percent of completion can be determined.</p> <p>Unit of Measurement: percent of TOTAL completion</p> <p>Period of Coverage: January 1 – March 31; April 1 – June 30; July 1 – September 30; October 1 -December 31</p> <p>Data Submission to USAID: 15 days after the end of each quarter; consolidated annual data (calendar year) due by January 31 of each year.</p> <p>Activity Name: Investor Roadmap III</p> <p>Usefulness: This is a milestone indicator measuring progress towards completion of the final stage. Achievement of 100 points is a direct measure of an improved administrative environment in targeted sectors.</p> <p>Other: Data submitted should be accompanied by supporting narrative evidence. Thus, if phase 1 is fully achieved and overall progress is rated at 20% (20/20 + 0/20 + 0/60), then evidence to support the conclusion that phase 1 is fully completed should be provided.</p>	
Data Analysis	
<p>Specific Disaggregation of Data: Disaggregate by:</p> <ul style="list-style-type: none">❖ Process❖ By stages in each process	
<p>Narrative Description of Performance During This Period: [Provide a short analysis of the year in review and discuss any particular factors affecting the result that you wish to highlight]</p>	
<p>Comments / Recommendations for General Improvement of USAID Activity Management: [Optional section; not required]</p>	



ANNEX II. MODIFICATIONS TO FY2003 R4 INDICATORS

(For a more complete discussion of each indicator included in the PMP, see the Performance Indicator Reference Sheets in Section IV.)

R4 INDICATOR PROPOSED FOR FY2003	SUBSTANTIAL CHANGES TO INDICATOR?	NEW FY2003 R4 INDICATOR	REASON FOR MODIFICATION
IR 5.1: <i>Progress in improving selected aspects of commercial law.</i>	YES	IR 5.2: <i>Level of institutional capacity of Agadir Commercial Court.</i>	The indicator as initially envisaged is not applicable given the role and function of the Ministry of Justice (the primary target of the assistance in this case) and also the nature of the assistance now envisaged to the Ministry of Justice. Furthermore, since the MOJ activity is still not fully defined, it is premature to replace the original indicator with a more suitable alternative. Thus, this indicator is being replaced with an IR 5.2 indicator that also measures progress in the legal arena through capacity building efforts in the Agadir Commercial Court.
IR 5.1: <i>Progress in reengineering administrative processes in selected agencies of government.</i>	NO	IR 5.1: <i>Progress in reengineering selected administrative processes.</i>	This is essentially the same indicator; the only difference is tightening of the wording to enhance clarity.
IR 5.2: <i>Effectiveness of micro-finance intermediaries.</i>	NO	IR 5.2: <i>Level of operational and financial sustainability of USAID-assisted micro-finance intermediaries.</i>	This is essentially the same indicator; the only difference is a tightening of the wording to enhance clarity and more directly measure the intended result.
IR 5.2: <i>Increased membership in targeted business associations.</i>	YES	IR 5.2: <i>Revenues of targeted associations from services to members.</i>	The initial data quality assessment determined that the original indicator was not appropriate because the measure was not meaningful for all business associations targeted. Some associations did not have capacity to increase membership since their members are either other associations or government bodies. Since the purpose of the original measure was to measure the capacity of the association and the expectation was that increased membership would signal increased capacity of the association an alternative measure that could serve the same end was sought. "Revenues of targeted associations from services to members" was found (through review of documents and discussions with the EG team and its partners) to be a suitable measure of association capacity that was applicable to all targeted associations.



ANNEX III. INDICATOR QUALITY ASSESSMENTS FOR R4 INDICATORS

R4 INDICATOR QUALITY ASSESSMENT, conducted by PricewaterhouseCoopers, 06/11/00	
Based on ADS 203.3.6.3 and ADS 203.3.6.5 (a)	
Intermediate Result: Improved legal, administrative, regulatory and policy environment for private sector development	
INDICATOR: <i>Progress in reengineering selected administrative processes</i>	
CRITERIA FOR INDICATOR QUALITY	ASSESSMENT
<p>Is the indicator DIRECT?</p> <ul style="list-style-type: none"> ❖ Does it closely measure the result it is intended to measure? ❖ Is it grounded in theory and practice? ❖ Does it represent an acceptable measure to both proponents and skeptics? ❖ If it is a proxy, is it as directly related to the relevant result as possible? 	<p>This is a milestone indicator that measures progress towards achieving the final result of an improved administrative environment for private sector development in targeted areas. Achievement of the final milestone is a direct measure of an improved "administrative environment". Agency best practice recommends using milestone indicators to assess progress towards qualitative results.</p>
<p>Is the indicator OBJECTIVE?</p> <ul style="list-style-type: none"> ❖ Is it unambiguous about what is being measured? ❖ Is there general agreement over the interpretation of the results? ❖ Is it unidimensional (i.e., does it measure only one phenomenon at a time)? ❖ Is it operationally precise (i.e., is there no ambiguity over what kind of data should be collected)? 	<p>The indicator is objective when considering its qualitative nature. While there is always room for varied interpretations of results with qualitative measures, each stage of the reengineering process is clearly defined to reduce ambiguity. Sub-stages will also be pre-defined as soon as the implementing partner (TSG) is in place. There is agreement that movement toward completing the final stage represents a positive trend. The basis on which weights were assigned to the three stages should be noted. Though the first 2 stages can be accomplished quite quickly each was accorded a 20% weight because convening of a task force and development of an action plan have significant implications in terms of increasing participation and ensuring sustainability of reforms.</p>
<p>Is the indicator PRACTICAL?</p> <ul style="list-style-type: none"> ❖ Are timely data available (i.e., is data current and available on regular basis)? ❖ Can the data be collected frequently enough to inform management decisions? ❖ Are data valid and reliable? ❖ Are the costs of data collection reasonable? 	<p>The indicator is practical. Data that will feed into the indicator will be generated on a regular basis by the implementing partner TSG. Data will be collected quarterly to feed into management decisions during the short period of activity implementation. Costs of data collection are low. Reliability could not be assessed because no data have been collected yet. USAID will need to independently verify information provided by TSG during the data collection process. This can be done easily in the course of normal business through site visits and meetings with reform targets.</p>
<p>Is the indicator ADEQUATE?</p> <ul style="list-style-type: none"> ❖ Does it merely indicate progress rather than attempt to fully describe everything an activity accomplishes? ❖ Taken as a group, are the indicator and its companion indicators the minimum necessary to ensure that progress toward the given result is sufficiently captured? 	<p>This indicator only measures one dimension of the IR statement. However, taken together with other indicators at the IR level, it is sufficient to measure all aspects of the IR statement.</p>
<p>Is the indicator DISAGGREGATED if appropriate?</p>	<p>Progress will be disaggregated by process and stage within each process. Gender disaggregation is not appropriate in this case.</p>
<p>Is the indicator a RESULTS measure?</p>	<p>The indicator is a results measure since it directly measures the IR statement (see above)</p>
<p>Is the indicator USEFUL for management?</p>	<p>The indicator is useful for management since it measures not only the final result but also progress towards that result.</p>
<p>Is the indicator CREDIBLE?</p>	<p>The indicator is credible – the purpose of the indicator is intuitively understood.</p>
<p>Is the indicator EASY to understand, communicate, and use?</p>	<p>The measure is also easily understood and results can be communicated easily (e.g., improvement of the land allocation process is 40% complete).</p>



R4 INDICATOR QUALITY ASSESSMENT, conducted by PricewaterhouseCoopers, 06/11/00	
Based on ADS 203.3.6.3 and ADS 203.3.6.5 (a)	
Intermediate Result: Strengthened capacity of selected institutions to foster private enterprise	
INDICATOR: <i>Level of institutional capacity of Agadir Commercial Court</i>	
CRITERIA FOR INDICATOR QUALITY	ASSESSMENT
<i>Is the indicator DIRECT?</i> <ul style="list-style-type: none"> ❖ Does it closely measure the result it is intended to measure? ❖ Is it grounded in theory and practice? ❖ Does it represent an acceptable measure to both proponents and skeptics? ❖ If it is a proxy, is it as directly related to the relevant result as possible? 	<p>This indicator directly measures the strengthened capacity of the Agadir Commercial Court, one of the key institutions targeted by USAID to foster private enterprise in Morocco. Demonstrated improvement in the Commercial Court's institutional capacity will thereby increase opportunities for domestic and foreign investment in the region.</p>
<i>Is the indicator OBJECTIVE?</i> <ul style="list-style-type: none"> ❖ Is it unambiguous about what is being measured? ❖ Is there general agreement over the interpretation of the results? ❖ Is it unidimensional (i.e., does it measure only one phenomenon at a time)? ❖ Is it operationally precise (i.e., is there no ambiguity over what kind of data should be collected)? 	<p>This indicator is fairly objective, considering its intrinsic qualitative nature. Institutional capacity is measured along four dimensions; although independent subject matter expert's assessment along each dimension remains subjective, there is general agreement that movement towards demonstrated progress along each dimension represents higher capacity. (<i>Note:</i> Each dimension's sub-stages will need to be defined more precisely once the independent subject matter expert is hired.) Operationally, the indicator does specify what kinds of data the subject matter expert should measure.</p>
<i>Is the indicator PRACTICAL?</i> <ul style="list-style-type: none"> ❖ Are timely data available (i.e., is data current and available on regular basis)? ❖ Can the data be collected frequently enough to inform management decisions? ❖ Are data valid and reliable? ❖ Are the costs of data collection reasonable? 	<p>This indicator is fairly practical. Data will be assessed once a year, which allows for reasonable data collection costs and timely data collection. Data validity and reliability will be assessed once the first year's data collection efforts have been completed.</p>
<i>Is the indicator ADEQUATE?</i> <ul style="list-style-type: none"> ❖ Does it merely indicate progress rather than attempt to fully describe everything an activity accomplishes? ❖ Taken as a group, are the indicator and its companion indicators the minimum necessary to ensure that progress toward the given result is sufficiently captured? 	<p>Because it focuses on a key institution targeted by USAID, this indicator measures a critical component of the IR statement. Along with the other IR 5.2 indicators, this indicator sufficiently measures overall IR progress.</p>
<i>Is the indicator DISAGGREGATED if appropriate?</i>	Disaggregation is not appropriate for this indicator.
<i>Is the indicator a RESULTS measure?</i>	The indicator is a results measure because it directly measures the IR statement (see above).
<i>Is the indicator USEFUL for management?</i>	This indicator is useful for management because it measures the progress of four different dimensions of institutional capacity. By ranking progress along these dimensions, management can identify which areas need improvement and which areas are progressing as predicted.
<i>Is the indicator CREDIBLE?</i>	This indicator is credible because there is direct correlation between the areas measured by the indicator and the intended IR result.
<i>Is the indicator EASY to understand, communicate, and use?</i>	This indicator is easy to understand, communicate, and use because each institutional capacity dimension will be ranked along a scale towards demonstrated progress.



R4 INDICATOR QUALITY ASSESSMENT, conducted by PricewaterhouseCoopers, 06/11/00	
Based on ADS 203.3.6.3 and ADS 203.3.6.5 (a)	
Intermediate Result: Strengthened capacity of selected institutions to foster private enterprise	
INDICATOR: <i>Level of operational and financial sustainability of USAID-assisted micro-finance intermediaries</i>	
CRITERIA FOR INDICATOR QUALITY	ASSESSMENT
<p>Is the indicator DIRECT?</p> <ul style="list-style-type: none"> ❖ Does it closely measure the result it is intended to measure? ❖ Is it grounded in theory and practice? ❖ Does it represent an acceptable measure to both proponents and skeptics? ❖ If it is a proxy, is it as directly related to the relevant result as possible? 	<p>Operational and financial sustainability represents a direct measure of strengthened capacity for micro-finance intermediaries (MFIs). The two calculations used in this indicator – loan repayment rates and cost recovery rates – are widely accepted measures of both long-term sustainability and management efficiency of MFIs. Long-term sustainability for MFIs is critical to microfinance success once donor assistance ends. Strengthened capacity of targeted MFIs will then lead to improved domestic investment opportunities for low-income populations.</p>
<p>Is the indicator OBJECTIVE?</p> <ul style="list-style-type: none"> ❖ Is it unambiguous about what is being measured? ❖ Is there general agreement over the interpretation of the results? ❖ Is it unidimensional (i.e., does it measure only one phenomenon at a time)? ❖ Is it operationally precise (i.e., is there no ambiguity over what kind of data should be collected)? 	<p>This indicator is objective and operationally precise. Specific formulas used for calculations of quantitative data will allow for unambiguous data collection and interpretation.</p>
<p>Is the indicator PRACTICAL?</p> <ul style="list-style-type: none"> ❖ Are timely data available (i.e., is data current and available on regular basis)? ❖ Can the data be collected frequently enough to inform management decisions? ❖ Are data valid and reliable? ❖ Are the costs of data collection reasonable? 	<p>This indicator is practical. Data is continuously available because MFIs collect the data on an ongoing basis, and quarterly reporting of data will allow for effective management decision-making. Because MFIs collect financial data for their own management purposes, no extra data collection costs exist.</p>
<p>Is the indicator ADEQUATE?</p> <ul style="list-style-type: none"> ❖ Does it merely indicate progress rather than attempt to fully describe everything an activity accomplishes? ❖ Taken as a group, are the indicator and its companion indicators the minimum necessary to ensure that progress toward the given result is sufficiently captured? 	<p>Because it focuses on key institutions targeted by USAID, this indicator measures a critical component of the IR statement. Along with the other IR 5.2 indicators, this indicator sufficiently measures overall IR progress.</p>
<p>Is the indicator DISAGGREGATED if appropriate?</p>	<p>Data will be disaggregated by implementing MFI partner and also by time period of loan delinquency (for portfolio at risk calculation). Disaggregation by gender is not appropriate.</p>
<p>Is the indicator a RESULTS measure?</p>	<p>The indicator is a results measure because it directly measures the IR statement (see above).</p>
<p>Is the indicator USEFUL for management?</p>	<p>This indicator is useful for management because it measures the long-term sustainability of MFIs using accepted financial measures.</p>
<p>Is the indicator CREDIBLE?</p>	<p>This indicator is credible since the measures used are widely accepted in the micro-finance community.</p>
<p>Is the indicator EASY to understand, communicate, and use?</p>	<p>This indicator is relatively easy to understand, communicate, and use. Even though the financial calculations involved are somewhat complex, they are widely used measures in the micro-finance community.</p>



R4 INDICATOR QUALITY ASSESSMENT, conducted by PricewaterhouseCoopers, 06/11/00	
Based on ADS 203.3.6.3 and ADS 203.3.6.5 (a)	
Intermediate Result: Strengthened capacity of selected institutions to foster private enterprise	
INDICATOR: <i>Revenues of targeted associations from services to members</i>	
CRITERIA FOR INDICATOR QUALITY	ASSESSMENT
<p>Is the indicator DIRECT?</p> <ul style="list-style-type: none"> ❖ Does it closely measure the result it is intended to measure? ❖ Is it grounded in theory and practice? ❖ Does it represent an acceptable measure to both proponents and skeptics? ❖ If it is a proxy, is it as directly related to the relevant result as possible? 	<p>Increased revenues of targeted associations from services to members illustrate members' willingness to pay for services provided by the association and their confidence in its capability. Thus, the indicator directly measures strengthened capacity of the targeted associations. Since the law governing associations in Morocco prevents associations from <i>requiring</i> members to pay fees, measurement of only member fees would have been an imprecise measure of the capability of associations because of potential free-rider problems and also because some associations (GRIT) are mainly composed of public entities. By directly measuring fees for special services (e.g., publications, training, etc) however, the capacity of each institutions to provide private enterprise fostering services can be measured.</p>
<p>Is the indicator OBJECTIVE?</p> <ul style="list-style-type: none"> ❖ Is it unambiguous about what is being measured? ❖ Is there general agreement over the interpretation of the results? ❖ Is it unidimensional (i.e., does it measure only one phenomenon at a time)? ❖ Is it operationally precise (i.e., is there no ambiguity over what kind of data should be collected)? 	<p>The measure is objective and it is clear that only revenues from services to members will be counted. The indicator reference sheet clearly indicates that general membership fees will NOT be included in the calculation. The measure is uni-dimensional (it only measures revenue from services) and operationally precise.</p>
<p>Is the indicator PRACTICAL?</p> <ul style="list-style-type: none"> ❖ Are timely data available (i.e., is data current and available on regular basis)? ❖ Can the data be collected frequently enough to inform management decisions? ❖ Are data valid and reliable? ❖ Are the costs of data collection reasonable? 	<p>The indicator is practical. Availability of data on an annual basis has been verified with all three partners. Partners are also willing to provide the data and the basis upon which the data are calculated on an annual basis.</p>
<p>Is the indicator ADEQUATE?</p> <ul style="list-style-type: none"> ❖ Does it merely indicate progress rather than attempt to fully describe everything an activity accomplishes? ❖ Taken as a group, are the indicator and its companion indicators the minimum necessary to ensure that progress toward the given result is sufficiently captured? 	<p>The indicator is an adequate measure of the increased capacity of selected institutions (in this case, business associations) to foster private sector development.</p>
<p>Is the indicator DISAGGREGATED if appropriate?</p>	<p>Data will be disaggregated by association. Disaggregation by gender is not appropriate.</p>
<p>Is the indicator a RESULTS measure?</p>	<p>The indicator measures the intermediate result directly.</p>
<p>Is the indicator USEFUL for management?</p>	<p>It is useful for management since it will help USAID determine the impact of its assistance to associations.</p>
<p>Is the indicator CREDIBLE?</p>	<p>Yes.</p>
<p>Is the indicator EASY to understand, communicate, and use?</p>	<p>Yes.</p>



ANNEX IV. DATA QUALITY ASSESSMENTS FOR R4 INDICATORS

R4 DATA QUALITY ASSESSMENT, conducted by PricewaterhouseCoopers, 06/11/00	
Based on ADS 203.6.5 (C) – Quality standards for qualitative data	
Strategic Objective: Increased Opportunities for Domestic and Foreign Investment	
Intermediate Result: Improved legal, administrative, regulatory and policy environment for private sector development	
INDICATOR: <i>Progress in reengineering selected administrative processes</i>	
CRITERIA FOR DATA QUALITY	ASSESSMENT
VALIDITY	The typical validity problems that occur with qualitative data – e.g., lack of representativeness of a small scale survey – do not apply since all actions taken will be considered in assessing progress towards completely achieving the final stage. However, it will be important for USAID to independently validate the progress reported to ensure that a complete picture of both success and failures is represented in the results.
RELIABILITY	Complete reliability cannot be achieved since this is a qualitative indicator. However, the establishment of clear stages in the reengineering process and steps within each process will help to minimize subjectivity in assessment.
TIMELINESS	Data will be collected frequently (quarterly) and will also be current at the time of reporting to USAID.
INTEGRITY	There isn't much potential for transcription error since this does not involve quantitative data. However, as noted above USAID should seek to randomly verify/validate the reported results to ensure that results are not over or under stated.
OBJECTIVITY	The milestones set out are clear and well understood and were established in discussion with the contractor before the activity commenced.
DIRECTNESS	The final stage of the indicator is a direct measure of an improved administrative environment in the targeted areas (land acquisition/registration and site development). However, since this is a qualitative measure there is potential for subjective interpretation. To minimize this stages within the overall process have been defined and steps within each stage will be defined as soon as the contractor has a presence on the ground.
FOR INDICATORS FOR WHICH NO RECENT, RELEVANT DATA IS AVAILABLE:	
If no recent relevant data are available for this indicator, why not?	N/A – no data are available because the baseline is zero for this indicator.
What concrete actions are now being undertaken to collect and report this data as soon as possible?	N/A
What date will data be reported?	N/A



R4 DATA QUALITY ASSESSMENT, conducted by PricewaterhouseCoopers, 06/11/00	
Based on ADS 203.6.5 (C) – Quality standards for qualitative data	
Strategic Objective: Increased Opportunities for Domestic and Foreign Investment	
Intermediate Result: Strengthened capacity of selected institutions to foster private enterprise	
INDICATOR: <i>Level of institutional capacity of Agadir Commercial Court</i>	
CRITERIA FOR DATA QUALITY	ASSESSMENT
VALIDITY	Data collected for this indicator appears to be reasonably valid. There is a solid, logical connection between the activity and the data collected. The independent subject matter expert assessing the Commercial Court's capacity should use a combination of interviews, observational studies, documentation reviews, and possible small-scale surveys to evaluate progress along the indicator's four dimensions. USAID and the subject matter expert will have to check for measurement error and representativeness of data once the first baseline assessment occurs. In addition, USAID should validate the progress reported in the subject matter expert's assessment.
RELIABILITY	Complete data reliability cannot be achieved since this is a qualitative indicator. However, the subject matter expert should work with USAID to develop a refined set of criteria that can be applied to subsequent monitoring (i.e., a set of criteria that can focus data collection efforts from year to year). Establishment of clear stages within each dimension will help to minimize subjectivity in assessment.
TIMELINESS	Data will be collected once a year and will be current at the time of reporting to USAID; annual data collection represents the most practical timeframe for this indicator.
INTEGRITY	Given the qualitative nature of the data collected, data integrity cannot be completely achieved. To maximize data objectivity, USAID should seek to randomly verify/validate reported results to ensure that results are not over or under stated.
OBJECTIVITY	Because this is a qualitative indicator, there is potential for subjective interpretation. USAID should work with the subject matter expert during the baseline assessment to firmly establish a refined set of criteria to measure progress along each dimension.
DIRECTNESS	The data collected for this indicator directly measures strengthened institutional capacity of the Commercial Court.
FOR INDICATORS FOR WHICH NO RECENT, RELEVANT DATA IS AVAILABLE:	
If no recent relevant data are available for this indicator, why not?	No data are available because the baseline assessment has not yet occurred.
What concrete actions are now being undertaken to collect and report this data as soon as possible?	TBD
What date will data be reported?	TBD



R4 DATA QUALITY ASSESSMENT, conducted by PricewaterhouseCoopers, 06/11/00	
Based on ADS 203.6.5 (b) – Data quality standards	
Strategic Objective: Increased Opportunities for Domestic and Foreign Investment	
Intermediate Result: Strengthened capacity of selected institutions to foster private enterprise	
INDICATOR: <i>Level of operational and financial sustainability of USAID-assisted micro-finance intermediaries</i>	
CRITERIA FOR DATA QUALITY	ASSESSMENT
VALIDITY	Data for this indicator appears to be reasonably valid. There is a solid, logical connection between the activity measured and the data collected. Sampling error is not relevant because no samples or surveys will be used. There is some potential for transcription error because of the manual tracking system which could be reduced but would not be eliminated with the planned introduction of a financial/accounting IT systems.
RELIABILITY	Consistent data collection processes exist for each of the targeted MFIs. Internal quality controls, through checking mechanisms and procedures (i.e., from field agents to credit managers and office coordinators), exist for financial data collection, and data collection procedures are transparent from one level (i.e., the field) to the next (i.e., headquarters).
TIMELINESS	Data is continuously available because MFIs collect the data on an ongoing basis, and quarterly reporting of data will allow for effective management decision-making. The data provided will be the most current available at the time.
INTEGRITY	There was no evidence of data being manipulated for personal or political reasons. However, USAID will need to continue to assess this to ensure that this continues to be true.
PRECISION	Acceptable margins of error for data collected have not been determined, although initial assessment suggests that the current margin of error would be acceptable given likely management decision-making efforts.
FOR INDICATORS FOR WHICH NO RECENT, RELEVANT DATA IS AVAILABLE:	
If no recent relevant data are available for this indicator, why not?	No data currently available because MFIs have not been tasked with calculating cost recovery & portfolio at risk rates using current PMP formulas
What concrete actions are now being undertaken to collect and report this data as soon as possible?	TBD
What date will data be reported?	TBD



R4 DATA QUALITY ASSESSMENT, conducted by PricewaterhouseCoopers, 06/11/00	
Based on ADS 203.6.5 (b) – Data quality standards	
Strategic Objective: Increased Opportunities for Domestic and Foreign Investment	
Intermediate Result: Improved legal, administrative, regulatory and policy environment for private sector development	
INDICATOR: <i>Revenues of targeted associations from services to members</i>	
CRITERIA FOR DATA QUALITY	ASSESSMENT
VALIDITY	For the most part targeted associations are NOT currently offering fee based services to members, hence there wasn't much baseline data to assess. What data exist appear to be reasonably valid. While assessment by PwC revealed one errors this was not material to the overall result and was immediately rectified. The error that was identified was for APFEL where transcription error had led to the assignment of non-fee revenue (Dh 5300) to the individual member fee column. To avoid this problem in the future, detailed data submission forms have been developed for each partner providing data for result level indicators. These forms clearly specify the data that should be collected, how it should be disaggregated and what supporting data are required.
RELIABILITY	Clear definition of the data to be collected as noted above will help to ensure that data in the future will reflect true variations in the measure and not changes in the data collection process.
TIMELINESS	Data will be provided to USAID once a year by January 31 of each year covering the previous calendar year. This time frame is frequent enough for decision making purposes and the data provided will be the most current available at the time.
INTEGRITY	There was no evidence of data being manipulated for personal or political reasons. However, USAID will need to continue to assess this to ensure that this continues to be true.
PRECISION	Since the data are not drawn from a large data set, the issues relating to data precision as noted in ADS 203.3.6.5 (b) are not applicable.
FOR INDICATORS FOR WHICH NO RECENT, RELEVANT DATA IS AVAILABLE:	
If no recent relevant data are available for this indicator, why not?	N/A
What concrete actions are now being undertaken to collect and report this data as soon as possible?	N/A
What date will data be reported?	N/A



ANNEX V. DATA QUALITY CHECKLIST

The SO Team should use the following checklist to assess the quality of performance data, specifically in terms of validity, reliability, timeliness, precision, and integrity:

CRITERIA CATEGORY	CHECKLIST QUESTIONS FOR DATA QUALITY ASSESSMENT	COMMENTS
VALIDITY	<p>Check for Face Validity:</p> <ul style="list-style-type: none"> ❖ Is there a solid, logical relation between the activity or program and what is being measured, or are there significant uncontrollable factors? 	
	<p>Check for Measurement Error:</p> <p><i>Sampling Error (only applies when the data source is a survey):</i></p> <ul style="list-style-type: none"> ❖ Were samples representative? ❖ Were the questions in the survey/questionnaire clear, direct, easy to understand? ❖ If the instrument was self-reporting were adequate instructions provided? ❖ Were response rates sufficiently large? ❖ Has non-response rate been followed up? <p><i>Non Sampling Error:</i></p> <ul style="list-style-type: none"> ❖ Is the data collection instrument well designed? ❖ Were there incentives for respondents to give incomplete or untruthful information? ❖ Are definitions for data to be collected operationally precise? ❖ Are enumerators well trained? How were they trained? Were they insiders or outsiders? Was there any quality control in the selection process? ❖ Were there efforts to reduce the potential for personal bias by enumerators? 	
	<p>Check for Transcription Error:</p> <ul style="list-style-type: none"> ❖ What is the data transcription process? Is there potential for error? ❖ Are steps being taken to limit transcription error? (e.g., double keying of data for large surveys, electronic edit checking program to clean data, random checks of data entered by supervisors for partner data) ❖ Have data errors been tracked to their original source and mistakes corrected? <p><i>If raw data must be manipulated to produce data required for the indicator, then:</i></p> <ul style="list-style-type: none"> ❖ Are the correct formulae being applied? ❖ Are the same formulae applied consistently from year to year, site to site, data source to data source (if data from multiple sources need to be aggregated)? ❖ Have procedures for dealing with missing data been correctly applied? ❖ Are final numbers reported accurate (e.g., does a number reported as a "total" actually add up)? 	



CRITERIA CATEGORY	CHECKLIST QUESTIONS FOR DATA QUALITY ASSESSMENT	COMMENTS
VALIDITY (cont'd)	<p><i>Check for Representativeness of Data:</i></p> <ul style="list-style-type: none"> ❖ Is the sample from which the data are drawn representative of the population served by the activity? ❖ Did all units of the population have an equal chance of being selected for the sample? ❖ Is the sampling frame (i.e., the list of units in the target population) up to date? Comprehensive? Mutually exclusive (for geographic frames)? ❖ Is the sample of adequate size? ❖ Are the data complete (i.e., have all data points been recorded)? 	
RELIABILITY	<p><i>Check for Consistency in Processes:</i></p> <ul style="list-style-type: none"> ❖ Is a consistent data collection process used from year to year, location to location, data source to data source (if data come from different sources)? ❖ Is the same instrument used to collect data from year to year, location to location? If data come from different sources are the instruments similar enough that the reliability of the data are not compromised? ❖ Is the same sampling method used from year to year, location to location, data source to data source? 	
	<p><i>Check for Internal Quality Controls:</i></p> <ul style="list-style-type: none"> ❖ Are there procedures to ensure that data are free of significant error and that bias is not introduced? ❖ Are there procedures in place for periodic review of data collection, maintenance, and processing? ❖ Do these procedures provide for periodic sampling and quality assessment of data? 	
	<p><i>Check for Transparency:</i></p> <ul style="list-style-type: none"> ❖ Are data collection, cleaning, analysis, reporting, and quality assessment procedures documented in writing? ❖ Are data problems at each level reported to the next level? ❖ Are data quality problems clearly described in final reports? 	
TIMELINESS	<p><i>Check for Frequency of Collection:</i></p> <ul style="list-style-type: none"> ❖ Are data available on a frequent enough basis to inform program management decisions? ❖ Is a regularized schedule of data collection in place to meet program management needs? 	
	<p><i>Check for Currency of Data:</i></p> <ul style="list-style-type: none"> ❖ Are the data reported in a given timeframe the most current practically available? ❖ Are data from within the policy period of interest? (i.e., are data from a point in time after intervention has begun?) ❖ Are the data reported as soon as possible after collection? ❖ Is the date of collection clearly identified in the report? 	



CRITERIA CATEGORY	CHECKLIST QUESTIONS FOR DATA QUALITY ASSESSMENT	COMMENTS
PRECISION	<ul style="list-style-type: none">❖ Is the margin of error less than the expected change being measured?❖ Is the margin of error acceptable given the likely management decisions to be affected? (consider the consequences of the program or policy decisions based on the data)❖ Have targets been set for the acceptable margin of error?❖ Has the margin of error been reported along with the data?❖ Would an increase in the degree of accuracy be more costly than the increased value of the information?	
INTEGRITY	<ul style="list-style-type: none">❖ Are mechanisms in place to reduce the possibility that data are manipulated for political or personal reasons?❖ Is there objectivity and independence in key data collection, management, and assessment procedures?❖ Has there been independent review?❖ If data is from a secondary source, is USAID management confident in the credibility of the data?	

ADDITIONAL RESOURCES

When the SO Team begins the process of assessing data quality, it can use the following USAID and U.S. Government resources for additional help:

- ❖ ADS 203, "Assessing and Learning";
- ❖ TIPS No. 12, "Guidelines for Indicator and Data Quality";
- ❖ GAO, "Performance Plans: Selected Approaches for Verification and Validation of Agency Performance Information"; and
- ❖ GAO, "The Results Act: An Evaluator's Guide to Assessing Agency Annual Performance Plans".



ANNEX VI. SCOPE OF WORK

TERMS OF REFERENCE FOR THE FINALIZATION OF A PERFORMANCE MONITORING PLAN FOR THE ECONOMIC GROWTH STRATEGIC OBJECTIVE (S.O.5)

Background:

USAID/Morocco developed a new Country Strategic Plan (CSP) in 1999, covering FYs 2000 – 2005. Washington approved the plan provisionally in May 1999 with a request for a more detailed implementation plan for the Economic Growth sector covering the first two years of the strategy period. Specifically, the Mission was asked to identify which policies it intended to focus on and which of the several illustrative packages would be funded. The mission was also asked to provide detail on specific activities, partners and responsibilities for the first two years of implementation. The Mission responded to these requests in a CSP Addendum in March 2000, and USAID/Washington approval was granted shortly thereafter.

To assist the Economic Growth team in its transition from activity design to activity implementation, consulting support from PricewaterhouseCoopers (PwC) was requested. Specifically, PwC was asked to assist the team by drafting a performance management plan (PMP). This work involved:

- ❖ Refining the results framework for the economic growth strategic objective, including validating its logical consistency
- ❖ Developing performance indicators at the SO and IR level
- ❖ Providing recommendations for data collection
- ❖ Drafting a performance management plan

To achieve this, the PwC consultants reviewed background materials, performed technical analysis and facilitated a review of the economic growth results framework. Their work was presented in a provisional report, completed in March, 2000.

However, insofar as many of the underlying activities within the EG strategy were not yet fully-designed at the time of the PwC consultancy, information gaps were unavoidable and the PMP that was prepared by the EG Team and PwC consultants was not in full compliance with ADS requirements.

During the period since March, 2000, diagnostic work has been undertaken and agreements reached with partner organizations involved in EG activity implementation. Thus, the EG team is now prepared to complete its PMP for the strategic planning period.

Objective:

The objective of this contract action is to finalize the EG PMP. This will include revising indicators, collecting baseline data, assessing data quality, setting targets and establishing a system for data analysis, review and use.

Specific Tasks:

The contractor shall:

1. Finalize performance indicators based on most current information. This shall include both IR and SO level indicators as well as activity level indicators that will help to monitor progress towards IR and SO level results. Link activity level information (inputs and outputs) to result level information (IR and SO level indicators).
2. Assess availability of data. Review reports produced during the diagnostic phase for the commercial court and industry association activities and engage in discussions with implementing partners and counterparts.



3. Collect baseline data, assess data quality, set baselines and establish targets, using both quantitative and qualitative measures. For activities implemented outside of Rabat, this will require travel to activity sites.
4. Establish a performance reporting system that provides both timely and management-useful data to USAID. Develop appropriate reporting formats and recommend report frequency, data disaggregation (including gender-related impacts), automation options, where appropriate, and analysis guidelines.

Deliverable:

A revised PMP that includes all the elements required by the ADS and that are necessary for effective management of the EG portfolio of activities.

Team Composition:

The contractor shall provide a two-person team with the following qualifications:

1. Professional experience developing PMPs for Strategic Objective Teams in USAID field missions.
2. Professional experience and academic training in data collection and statistical analysis methodologies.
3. First-rate interpersonal skills and the proven ability to facilitate team discussions in order to produce strategic consensus.

Anticipated Level of Effort:

USAID/Morocco anticipates that the level of effort required to complete the tasks described above is approximately fifteen (15) days in the field for each of two consultants, plus four (4) working days, each at the home office.

Information Required in a Proposal:

Proposals should contain the following information:

1. Composition of the team, including roles and responsibilities for each team member.
2. Detailed curriculum vitae of each proposed team member.
3. Workplan, budget and timetable.

Contractor's Staff Support, Administrative and Logistical Arrangements:

The contractor shall be responsible for all administrative support and logistics required to fulfill this contract. These shall include all travel arrangements, appointment scheduling, secretarial services, report preparation services, printing and duplication.

Relationships and Reporting Arrangements:

The contractor will receive technical guidance from the Director of the Office of Economic Growth at USAID/Morocco. All substantive communications of any nature concerning this activity shall be cleared by or copied to that Officer.



ANNEX VII. WORK PLAN

The PwC team created this PMP in collaboration with the Economic Growth SO Team and USAID implementing partners. The team used PwC's methodology for developing PMPs, which is based upon current ADS guidance as well as best practices in performance measurement in the public and private sectors. The major steps in the work plan included:

TIMELINE	FINAL ECONOMIC GROWTH PMP: MAJOR STEPS
26/10/00	Hold Initial Briefing with Brad Wallach/Jim Bednar, USAID
26/10/00 – 28/10/00	Review background documents on EG activities and implementing partners
27/10/00 – 08/11/00	Conduct meetings with SO Team and partners to: (1) review validity of existing indicators, identify potential new indicators, and select appropriate indicators; (2) assess availability and quality of data; and (3) determine roles/responsibilities for data collection, review, analysis, and reporting.
06/11/00	Hold Mid-course Briefing with Economic Growth SO Team and Program Office on proposed new/revised indicators and remaining issues
08/11/00	Hold Final Debriefing with Mission Director, Economic Growth SO Team, and Program Office
06/11/00 – 15/11/00	Draft Performance Monitoring Plan, including: (1) performance indicator reference sheets; (2) recommended data collection methodology; (3) timeline and roles/responsibilities for performance management; and (4) data and indicator quality assessments for R4 indicators.
16/11/00	Submit Draft PMP, from Washington D.C.
22/11/00	Receive comments on draft PMP from Economic Growth Team
01/12/00	Submit Final PMP (electronic copy); mail hard copies and diskette



ANNEX VIII. INDIVIDUALS / ORGANIZATIONS CONTACTED

USAID/MOROCCO STAFF

Brad Wallach
Economic Growth
SO Team Leader

Kamal Sebti
Project Development
Specialist

Jamal Dadi
Project Development
Specialist

Abderrahim Bouazza
Program Office
USAID/Morocco

Omar Anbare
Local Coordinator,
Agadir

USAID PARTNERS

Lahcen Akrim
Directeur, Association Marocaine des
Producteurs Exportateurs de Fruits &
Legumes (APEFEL)

Lahcen Belkhanfar
Président, Tribunal de Commerce
d'Agadir

Aziz Benmaazouz
Directeur Général, Fondation Zakoura

Mohamed Bouayade
President, Fédération Industrielle des
Produits de la Mer (FIPROMER)

Ouad Bousselham
Secrétaire Général Adjoint, APEFEL

Karim Bribri
Financial Manager, INMAA

M. Fahsi
Chef de la Division Informatique et
Statistique, Ministry of Justice

Jean Paul Gauthier
The Services Group (TSG)

Abdellatif Ghissassi
Président, Groupement Régional d'intérêt
Touristique (GRIT)

Houssein Khalifa
Procureur, Tribunal de Commerce
d'Agadir

Chakib Lahlou
Délégué Régional du Tourisme, Ministère
du Tourisme, Délégation Régionale du
Tourisme, Agadir

Khalid Laraichi
Director of Equipment and Budget,
Ministry of Justice

Jonathan Metzger
Internet Development Advisor, Academy
for Educational Development (AED)

Abderrahim Moumen
Tribunal de Commerce d'Agadir

Mustapha Ouchramou
Director, INMAA

Najat Rahali
Ingénieur, Ministry of Justice

Aziz Rahmani
Ingénieur Agro-Economiste, APEFEL

Paul Rippey
Chief of Party, Volunteers in Technical
Assistance (VITA)

Houssein Sbai
Tribunal de Commerce d'Agadir

Mohamed Zahidi
Secrétaire Général, APEFEL

Lahcen Zakri
Directeur, Aeroport Al Massira, Agadir,
Office National des Aeroports